
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Molybdenum Co., Ltd.*, you should at once hand this circular and the accompanying reply slip and form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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洛陽樂川鉬業集團股份有限公司
China Molybdenum Co., Ltd. *

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03993)

**PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION AND INTERNAL RULES
INVESTMENTS IN PROJECTS INTENDED FOR PROCEEDS RAISED FROM A SHARE ISSUE
PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR
PROPOSED MANDATE TO ISSUE DOMESTIC DEBT FINANCING INSTRUMENTS AND
OVERSEAS DEBT FINANCING INSTRUMENTS
PROPOSED DISTRIBUTION OF FINAL DIVIDEND
PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES
FINANCIAL REPORT AND BUDGET REPORT
PROPOSED AMENDMENTS TO RULES FOR MANAGEMENT OF FUNDS RAISED FROM
CAPITAL MARKETS
PROPOSED PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS
AND SENIOR MANAGEMENT
AND
NOTICE OF ANNUAL GENERAL MEETING
NOTICE OF THE 2013 FIRST CLASS MEETING OF HOLDERS OF A SHARES
NOTICE OF THE 2013 FIRST CLASS MEETING OF HOLDERS OF H SHARES**

A letter from the Board is set out on pages 1 to 13 of this circular.

The notices convening the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting to be convened on Friday, 7 June 2013 are set out on pages 47 to 58 of this circular. The forms of proxy and reply slips for use in connection with relevant meetings are enclosed herewith.

Whether or not you are able to attend the said meetings in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon. For H Shareholders, the proxy form should be returned to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or for holders of A Shares, to the office of the Board at the Company's principal place of business in the PRC at North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC, as soon as possible but in any event not less than 24 hours before the time appointed for holding the relevant meetings or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM, the A Shareholders' Meeting, the H Shareholders' Meeting or at any adjourned meetings should you so wish.

H Shareholders who intend to attend the AGM and the H Shareholders' Class Meeting in person or by proxy should return the reply slip to the office of the Board at the Company's principal place of business in the PRC 20 days before the meeting, i.e. before Saturday, 18 May 2013 by hand, by post or by fax.

22 April 2013

* For identification purposes only

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“A Share(s)”	domestic share(s) with a nominal value of RMB0.20 each issued by the Company which are listed on the Shanghai Stock Exchange and traded in Renminbi (stock code: 603993)
“A Shareholder(s)”	holder(s) of A Shares
“A Shareholders’ Class Meeting”	the 2013 first class meeting of A Shareholders to be held on Friday, 7 June 2013 after the AGM at the International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC, to consider, and if thought fit, to approve, among other things, the resolution contained in the Notice of the 2013 First Class Meeting for holders of A Shares which is set out on pages 52 to 54 of this circular
“A Share Issue”	the allotment and issue of 200 million A Shares which were listed and traded on the Shanghai Stock Exchange on 9 October 2012
“AGM”	the annual general meeting of the Company to be held at 8:30 a.m. on Friday, 7 June 2013 at the International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC, to consider, and if thought fit, to approve, among other things, the resolutions contained in the Notice which is set out on pages 47 to 51 of this circular
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors
“Company”	洛陽樂川鉬業集團股份有限公司 (China Molybdenum Co., Ltd.*), a joint stock company incorporated in the PRC with limited liability, the A Shares and H Shares of which are listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, respectively
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Domestic Debt Financing Instruments”	inter-bank medium-term notes and short-term financing bonds in the PRC
“Final Dividend”	the proposed distribution of a final dividend of RMB0.12 per Share (tax inclusive) for the year period ended 31 December 2012 as described in the announcement of the Company dated 14 March 2013
“Financial Report”	the financial report of the Company for the year 2012 as set out in Appendix IV of this circular
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB0.20 each in the share capital of the Company which are listed on the main board of the Hong Kong Stock Exchange and are traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of H Shares
“H Shareholders’ Class Meeting”	the 2013 first class meeting of H Shareholders to be held on Friday, 7 June 2013 after the AGM and the A Shareholders’ Class Meeting at the International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC, to consider, and if thought fit, to approve, among other things, the resolution contained in the Notice of the 2013 First Class Meeting for holders of H Shares which is set out on pages 55 to 58 of this circular
“H Share Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase not exceeding 10% of the number of its H Shares in issue as at the date of passing the proposed resolutions approving the H Share Repurchase Mandate at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Internal Rules”	the Rules for Management of Provision of Securities to Third Parties and the Rules for External Investment Management

DEFINITIONS

“Latest Practicable Date”	Monday, 15 April 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to therein
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Mandatory Provisions”	the Mandatory Provisions for the Articles of Association of Companies Seeking a Listing outside the PRC
“PRC”, “Mainland”	the People’s Republic of China, which for the purpose of this circular only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the Repurchase Mandate at the AGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting, the general mandate to exercise the power of the Company to repurchase H Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue as at the date of the said resolution
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“SAFE”	State Administration of Foreign Exchange of the PRC and its local representative offices
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Supervisor(s)”	supervisor(s) of the Company
“%”	per cent.



洛陽樂川鉬業集團股份有限公司

China Molybdenum Co., Ltd. *

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03993)

Executive Directors:

Wu Wenjun (Chairman)
Li Chaochun (Vice Chairman)
Li Faben
Wang Qinxu

Non-executive Directors:

Shu Hedong
Zhang Yufeng

Independent Non-executive Directors:

Bai Yanchun
Xu Shan
Cheng Gordon
Xu Xu

To the Shareholders

Dear Sir or Madam,

Registered office:

North of Yihe
Huamei Shan Road
Chengdong New District
Luanchuan County
Luoyang City
Henan Province
The People's Republic of China

Principal place of business

in Hong Kong:

Level 28
Three Pacific Place
1 Queen's Road East
Hong Kong

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NOTICE OF ANNUAL GENERAL MEETING
NOTICE OF THE 2013 FIRST CLASS MEETING OF HOLDERS OF A SHARES
NOTICE OF THE 2013 FIRST CLASS MEETING OF HOLDERS OF H SHARES**

1. INTRODUCTION

References are made to the announcements of the Company dated 21 December 2012, 14 March 2013 and 12 April 2013 in relation to, among others, the proposed amendments to the Articles of Association and Internal Rules, the investments in projects intended for proceeds raised from the A Share Issue, the proposed appointment of Ms. Gu Meifeng as an executive Director, the proposed mandate to issue Domestic Debt Financing Instruments and overseas debt financing instruments, the proposed distribution of Final Dividend, the proposed general mandate to repurchase H Shares, the Financial Report, the Budget Report, the proposed amendments to Rules for Management of Funds Raised from Capital Markets and the proposed purchase of liability insurance for Directors, Supervisors and senior management.

* For identification purposes only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, the notice of AGM, the notice of class meeting of holders of A Shares, the notice of class meeting of holders of H Shares and to provide relevant details for you to make informed decisions when, among others, the below ordinary resolutions and special resolutions proposed for voting at the above meetings:

- (i) proposed amendments to the Articles of Association and the Internal Rules;
- (ii) investments in projects intended for proceeds raised from the A Share Issue;
- (iii) proposed appointment of Ms. Gu Meifeng as an executive Director and to authorise the Board to determine her remuneration;
- (iv) proposed mandate to issue Domestic Debt Financing Instruments and overseas debt financing instruments;
- (v) proposed distribution of Final Dividend;
- (vi) the Financial Report and the Budget Report;
- (vii) proposed general mandate to repurchase H Shares;
- (viii) proposed amendments to Rules for Management of Funds Raised from Capital Markets; and
- (ix) proposed purchase of liability insurance for Directors, Supervisors and senior management.

2. (a) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

To enhance the efficiency of the decision-making process of the Board and to meet the needs of business development of the Company, the Board announced that a special resolution will be proposed to amend the Articles of Association. In view of the above, it is proposed to amend paragraph 2 of Article 66 and paragraph 3 of Article 145.

- (i) *Proposed amendments to paragraph 2 of Article 66 of the Articles of Association:*

Paragraph 2 of Article 66 currently reads as follow:

“A guarantee which falls within the authorities of the Board requires the approval of three-fourths or more of all Directors. The guarantee set out in the preceding subparagraph (5) shall be subject to two thirds or more of the voting rights held by Shareholders present at the meeting.”

It is proposed to be amended as follow:

“A guarantee which falls within the authorities of the Board, in addition to being required to be passed by exceeding half of all Directors, requires also the approval of more than two-thirds of Directors present at the meeting. The guarantee set out in the preceding subparagraph (5) shall be subject to more than two-thirds of the voting rights held by Shareholders present at the meeting.”

LETTER FROM THE BOARD

(ii) *Proposed amendments to paragraph 3 of Article 145 of the Articles of Association:*

Paragraph 3 of Article 145 currently reads as follow:

“In respect of the Board resolutions relating to matters specified in preceding paragraph, except for those in subparagraphs (6), (7), (11) and (13) which shall be passed by two-thirds of all Directors and the external guarantees matters and external investment matters shall be passed by three-fourths or more of all Directors in accordance with the Articles of Association and the internal system of the Company, the remaining resolutions may be passed by over half of all Directors unless otherwise required by the laws, administrative regulations, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association and the internal system of the Company.”

It is proposed to be amended as follow:

“In respect of the Board resolutions relating to matters specified in preceding paragraph, except for those in subparagraphs (6), (7), (11) and (13) which shall be passed by more than two-thirds of all Directors, the remaining resolutions may be passed by over half of all Directors unless otherwise required by the laws, administrative regulations, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association and the internal rules of the Company.”

The proposed amendments to the Articles of Association are subject to the Shareholders' approval by way of special resolution at the AGM.

The Articles of Association are written in Chinese. The English version of the above articles is an unofficial translation of its Chinese version. In case of any inconsistency between the two versions, the Chinese version shall prevail.

(b) PROPOSED AMENDMENTS TO INTERNAL RULES

To align with the proposed amendments to the Articles of Association, prevent investment risk and enhance the effectiveness of foreign investments, the Board also proposed that the following ordinary resolutions will be proposed at the AGM to amend the Internal Rules:

LETTER FROM THE BOARD

(i) ***Proposed amendments to the Rules for Management of Provision of Securities to Third Parties:***

Article 17 of the Rules for Management of Provision of Securities to Third Parties currently reads as follow:

“Any matters of external guarantee within the approval authority of the Board shall be approved by more than three quarters of all the Directors.”

It is proposed to be amended as follow:

“Any matters of external guarantee within the approval authority of the Board, in addition of being approved by half of all the directors of the Company, such matters shall also be approved by more than two-thirds of all the directors present at the meeting.”

(ii) ***Proposed amendments to the Rules for External Investment Management:***

An ordinary resolution will be proposed at the AGM to amend the Rules for External Investment Management.

An unofficial translation of the proposed amendments to the Rules for External Investment Management is set out in Appendix I of this circular.

The proposed amendments to the Rules for Management of Provision of Securities to Third Parties and the Rules for External Investment Management are subject to the Shareholders' approval by way of ordinary resolutions at the AGM.

3. INVESTMENTS IN PROJECTS INTENDED FOR PROCEEDS RAISED FROM A SHARE ISSUE

References are made to the announcements of the Company dated 7 May 2011 and 18 March 2011 and the circular of the Company dated 22 March 2011 in relation to, among other things, the proposed use of proceeds in connection with the A Shares Issue in the following projects:

- (1) Constructing clean, efficient and resource-utilizing project to process 42,000 tons per year of low-grade and complex scheelite concentrates with an estimated investment amount of approximately RMB438 million (the “**APT Project**”);
- (2) Constructing efficient, energy-saving and automatic ammonium molybdate project with an estimated investment amount of approximately RMB350 million (the “**Ammonium Molybdate Project**”);

LETTER FROM THE BOARD

- (3) Constructing high-performance cemented carbide project with an estimated investment amount of approximately RMB1.8 billion (the “**Cemented Carbide Project**”); and
- (4) Constructing tungsten metal products and tungsten alloy material downstream processing project with an estimated investment amount of approximately RMB1.0 billion (the “**Downstream Processing Project**”).

In view of the reduction in the offering size of the A Share Issue (from the originally anticipated 542 million A Shares to 200 million A Shares), the actual amount of proceeds raised from the A Share Issue was significantly less than originally anticipated (the amount of net proceeds raised from the A Share Issue was approximately RMB558.1 million after deducting other issuance expenses paid by the Company). After having considered the amount of investments required for the Cemented Carbide Project and the Downstream Processing Project, the operational and financial positions of the Group, and the synergies to be created by investing in the above-mentioned projects, the Board proposed not to invest in the Cemented Carbide Project and the Downstream Processing Project as previously disclosed.

As both the Cemented Carbide Project and the Downstream Processing Project are part of the downstream processing of molybdenum products, the Board is of the view that the proposed cessation of investments in the Cemented Carbide Project and the Downstream Processing Project would not have any material adverse impact to the production and operation of the Group. In addition, as the construction of the aforementioned projects have yet to commence, no proceeds from the A Share Issue have been used in such projects. Furthermore, the proposed cessation in investing in such projects will not result in other changes to the use of proceeds in connection with the A Share Issue.

In view of the above, the Board is of the view that it is in the best interests of the Company and the Shareholders to cease investing in the Cemented Carbide Project and the Downstream Processing Project. An ordinary resolution to consider and approve the proposed cessation of investments in the Cemented Carbide Project and the Downstream Processing Project will be proposed at the AGM.

4. PROPOSED APPOINTMENT OF MS. GU MEIFENG AS AN EXECUTIVE DIRECTOR

The Board announced on 24 October 2012 that Mr. Duan Yuxian (“**Mr. Duan**”) had resigned as the Chairman of the Board, executive Director, the chairman of the strategic committee and member of the nomination committee of the Company with effect from 24 October 2012.

LETTER FROM THE BOARD

Pursuant to the Articles of Association and the Terms of Reference and Operation Rules of the Nomination Committee of the Board, to fill the casual vacancy caused by the resignation of Mr. Duan on 24 October 2012, the Board has considered the recommendations made by the Nomination Committee of the Board and resolved to propose the appointment of Ms. Gu Meifeng (“**Ms. Gu**”) as an executive Director to hold office with effect from the date of the passing of her appointment in the relevant resolution at the AGM until the conclusion of the Company’s annual general meeting to be held in 2015.

The biographical details of Ms. Gu are set out below:

Ms. Gu Meifeng, aged 48, has been the chief financial officer of the Company since August 2006. Ms. Gu graduated from Henan University in 1995 and obtained a master degree in accounting from the Chinese University of Hong Kong in December 2009. From 1986 to 1994, Ms. Gu worked on cost accounting with China YTO Group Corporation Equipment Repairment & Manufacturing Plant. From 1994 to June 2006, Ms. Gu was a deputy general manager of Luoyang Zhonghua Certified Public Accountants Co., Ltd. Between 2000 and 2006, Ms. Gu served as an independent supervisor of Luoyang Glass Company Limited, a company listed on both the Shanghai Stock Exchange (stock code: 600876) and the Hong Kong Stock Exchange (stock code: 1108). In addition, Ms. Gu has been serving as a director of Xinjiang Luomu Mining Co., Ltd. since July 2011 and as a supervisor of Luoyang High-Tech Metals Co., Ltd. since May 2010. Ms. Gu is a certified public accountant, registered asset appraiser and senior accountant.

The Board proposed to appoint Ms. Gu as an executive Director with a term of office commencing from the date of the AGM until the conclusion of the annual general meeting of the Company to be held in 2015, subject to retirement by rotation and re-election at the annual general meetings pursuant to the Articles of Association. The remuneration policies to be proposed at the AGM (if approved) will be applicable to Ms. Gu.

Ms. Gu will enter into a service agreement as an executive Director for a term commencing from the date of the AGM until the conclusion of the annual general meeting of the Company to be held in 2015. Her remuneration as an executive Director will be determined by the Board with reference to her duties, responsibilities and the Company’s performance and results, and is subject to the review by the Remuneration Committee from time to time. Her remuneration will be covered in the service agreement and any subsequent revision approved by the Board. Ms. Gu’s current remuneration as the chief financial officer of the Company is RMB350,000 per annum.

According to the Articles of Association and the relevant PRC laws and regulations, the effectiveness of the nomination above is subject to the approval of the Shareholders at a general meeting. A special resolution to consider and approve the proposed appointment of Ms. Gu as an executive Director and to authorise the Board to determine her remuneration will be proposed at the AGM.

LETTER FROM THE BOARD

Save as disclosed above, Ms. Gu does not have any relationship with any Directors, senior management or substantial shareholders of the Company, and does not hold any other positions in the Company nor any subsidiaries of the Company nor any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Ms. Gu does not have any interests in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there are no other matters in relation to the proposed appointment of Ms. Gu as an executive Director that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

5. PROPOSED MANDATE TO ISSUE DOMESTIC DEBT FINANCING INSTRUMENTS AND OVERSEAS DEBT FINANCING INSTRUMENTS

To allow the financial flexibility to raise capital to finance future investments and business development, the Board proposed to seek the approval from the Shareholders by way of special resolutions to be proposed at the AGM to give the Board mandate to issue in one or several tranches of (a) Domestic Debt Financing Instruments of not more than RMB2.9 billion; and (b) overseas debt financing instruments of not more than RMB2.9 billion (or equivalent in foreign currency), and to delegate the power to review and approve each issue of Domestic Debt Financing Instruments and overseas debt financing instruments to the Board, details of the delegation are as follows:

- (i) to authorize the Board to (A) issue in one or several tranches of Domestic Debt Financing Instruments and overseas debt financing instruments; (B) determine, in accordance with the relevant laws, rules and regulations and subject to the market conditions and the needs of the Company, the timing and methods of issue (including but not limited to the scale, interest rates, terms, target subscribers and use of proceeds); and (C) enter into all necessary documents and to effect and carry out necessary disclosure obligations and formalities.
- (ii) the authorization shall be effective from the date of the resolutions being approved at the AGM until the conclusion of the annual general meeting of the Company to be held in 2014.
- (iii) during the period of the resolutions, the balance of the outstanding amount of the Domestic Debt Financing Instruments shall not exceed 40% of the consolidated net assets of the Group for the year ended 31 December 2012 (the consolidated net assets of the Group amounted to RMB12,371,394,148.65 as at 31 December 2012).

LETTER FROM THE BOARD

The proposed mandate to issue Domestic Debt Financing Instruments and overseas debt financing instruments are subject to the Shareholders' approval by special resolutions at the AGM and approvals from the relevant authorities.

As at the Latest Practicable Date, the Company has no intention to issue any Domestic Debt Financing Instruments or overseas debt financing instruments.

6. PROPOSED DISTRIBUTION OF FINAL DIVIDEND

As stated in the announcement of the Company dated 14 March 2013 relating to, among other things, annual results of the Company for the year ended 31 December 2012, the Board proposed to distribute the Final Dividend of RMB 0.12 per share (tax inclusive) subject to the approval of the Shareholders at the AGM and an ordinary resolution will be proposed to the Shareholders for voting at the AGM.

It is expected that the Final Dividend will be paid on Thursday, 11 July 2013, to H Shareholders whose names appear on the registers of members of H Shares ("**H Share Register of Members**") of the Company on 19 June 2013 (the "**Reference Date**"). The Company will make further announcement regarding the proposed distribution of Final Dividend to A Shareholders.

Under the relevant tax rules and regulations of the PRC (collectively, the "**PRC Tax Law**"), the Company is required to withhold corporate income tax at the rate of 10% when distributing the Final Dividend to non-resident enterprises (such term shall have the meaning as defined under the PRC Tax Law) whose names appear on the H Shares Register of Members of the Company on the Reference Date.

In accordance with the PRC Tax Law, the Company has an obligation to withhold the corporate income tax for payment from the payment of the Final Dividend to non-resident enterprises whose names appear on the H Share Register of Members of the Company on the Reference Date. A resident enterprise (such term shall have the meaning as defined under the PRC Tax Law) whose name appears on the H Share Register of Members of the Company who does not wish to have the corporate income tax withheld for payment should lodge with Computershare Hong Kong Investor Services Limited the relevant documents issued by the relevant PRC tax authority certifying that it is a resident enterprise, at or before 4:30 p.m. on Thursday, 13 June 2013. The address of Computershare Hong Kong Investor Services Limited is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. The Company will withhold payment for the corporate income tax strictly in accordance with the PRC Tax Law and the requirements of the relevant government authorities. The Company shall not be liable for any dispute relating to the withholding of corporate income tax which arises from any failure to lodge the relevant documents within the prescribed timeframe as mentioned above.

LETTER FROM THE BOARD

7. PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES

Section 143 of the Company Law of the PRC (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its share unless such repurchase is effected for the purpose of: (a) reducing its registered share capital; (b) in connection with a merger between itself and another entity holding its Shares; (c) granting Shares as reward to the staff of the company; or (d) the repurchase is made at the request of its Shareholders who disagree with Shareholders' resolutions in connection with a merger or division. Section 24 of the Mandatory Provisions which the Company has incorporated in its Articles of Association provides that subject to obtaining the approval of the relevant regulatory authorities and compliance with its Articles of Association, share repurchases may be effected by a joint stock limited company listed outside the PRC for the purpose of reducing its share capital or in connection with a merger between itself and another entity holding its Shares or in circumstances permitted by law or administrative regulations.

The Listing Rules permit Shareholders of a PRC joint stock limited company to grant a general mandate to the Directors to repurchase H Shares of such company that are listed on the Hong Kong Stock Exchange.

Such mandate is required to be given by way of special resolutions passed by Shareholders in general meeting and by holders of domestic shares and overseas listed foreign shares in class meetings.

As H Shares are traded on the Hong Kong Stock Exchange in Hong Kong dollars and the price payable by the Company upon any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the approval of the relevant SAFE authority is required.

In accordance with the requirements of Article 27 of the Articles of Association applicable to capital reduction, the Company shall notify its creditors within 10 days after the passing of such resolutions by the Board and shall publish a press announcement within 30 days after the passing of such resolutions by the Board. Creditors then have the right within 30 days of receiving the written notification from the Company or, if no such notification has been received, up to 45 days after the publication of the press announcement to require the Company to repay amounts due to them or to provide guarantees in respect of such amounts.

In accordance with the legal and regulatory requirements described above, the Directors will convene the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting. At the last Extraordinary General Meeting of the Company held on 21 December 2012, the Directors were granted by Shareholders a general mandate to repurchase H Shares. Such mandate will lapse at the conclusion of the AGM. In order to increase the flexibility of the Company in the event that it becomes desirable to repurchase H Shares, a special resolution will be proposed to grant to the Directors a conditional general mandate to repurchase H Shares in issue on the Hong Kong Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of such resolution.

LETTER FROM THE BOARD

The Repurchase Mandate will be conditional upon (a) the special resolution approving the grant of the Repurchase Mandate being approved at each of the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting; (b) the approval of the regulatory authorities (if applicable) as required by the laws, rules and regulations of the PRC being obtained; and (c) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 27 of the Articles of Association as described above.

If the Company determines to repay any amount to any of its creditors in circumstances described under condition (c) above, the fund used to buy back shares shall be out of its internal resources. If the conditions are not fulfilled, the Repurchase Mandate will not be exercisable by the Directors.

A special resolution will be proposed at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting respectively to grant to the Directors the Repurchase Mandate, details of which are set out in the special resolution numbered 16 of the notice of the AGM, special resolution in the notice of A Shareholders' Class Meeting and special resolution in the notice of the H Shareholders' Class Meeting. The H Shares which may be repurchased pursuant to the Repurchase Mandate shall not exceed 10% of the aggregate nominal value of H Shares in issue as at the date of passing of the resolutions approving the Repurchase Mandate. An explanatory statement giving certain information regarding the Repurchase Mandate is set out in Appendix II to this circular.

8. FINANCIAL REPORT AND THE BUDGET REPORT

As stated in the announcement of the Company dated 21 December 2012, the Board approved the proposed production volume of molybdenum concentrates (including 47% Mo) and tungsten concentrates (including 65% WO₃) for the year ending 31 December 2013 for the Group would amount to approximately 29,240 tonnes and 8,615 tonnes, respectively (the "**Budget Report**").

On 14 March 2013, the Board approved the Financial Report, a copy of which is set out in Appendix IV to this circular.

An ordinary resolution to consider and approve the Financial Report and the Budget Report respectively will be proposed at the AGM.

LETTER FROM THE BOARD

9. PROPOSED AMENDMENTS TO RULES FOR MANAGEMENT OF FUNDS RAISED FROM CAPITAL MARKETS

Pursuant to the Shanghai Stock Exchange Measures on Management of Raised Funds of Listed Companies (Revised in 2013) published by the Shanghai Stock Exchange on 2 April 2013, the Company is required to amend its existing Rules for Management of Funds Raised from Capital Markets. On 11 April 2013, the Board approved to adopt the Rules for Management of Raised Funds to replace the existing Rules for Management of Funds Raised from Capital Markets. An ordinary resolution to consider and approve the proposed amendments to the Rules for Management of Funds Raised from Capital Markets will be proposed at the AGM.

The Rules for Management of Raised Funds are written in Chinese. An unofficial English translation of the proposed Rules for Management of Raised Funds is set out in Appendix V of this circular. In case of inconsistency between the Chinese and the English versions, the Chinese version shall prevail.

10. PROPOSED PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

In accordance with the Listing Rules and having considered that appropriate insurance coverage for the Directors, Supervisors and senior management can help to manage the legal risks exposed to the Directors, Supervisors and senior management when performing their duties, on 14 March 2013, the Board approved the proposed purchase of liability insurance for the Directors, Supervisors and senior management with a coverage of not more than RMB15,000,000, effective from the date of the AGM and ending on 30 June 2014.

An ordinary resolution to consider and approve the proposed purchase of liability insurance for Directors, Supervisors and senior management will be proposed at the AGM.

11. AGM, A SHAREHOLDERS' CLASS MEETING AND H SHAREHOLDERS' CLASS MEETING

The Board proposed to seek the Shareholders' approval at the AGM to approve, among others, the proposed amendments to the Articles of Association and the Internal Rules, the investments in projects intended for proceeds raised from the A Share Issue, the proposed appointment of Ms. Gu Meifeng as an executive Director, the proposed mandate to issue Domestic Debt Financing Instruments and overseas debt financing instruments, the proposed distribution of Final Dividend, the proposed general mandate to repurchase H Shares, the Financial Report, the Budget Report, the proposed amendments to Rules for Management of Funds Raised from Capital Markets and the proposed purchase of liability insurance for Directors, Supervisors and senior management. The Board also proposed to seek the approval from the A Shareholders and the H Shareholders on the proposed general mandate to repurchase H Shares. Notices of the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting to be held at International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC, on Friday, 7 June 2013 are set out on pages 47 to 58 of this circular.

LETTER FROM THE BOARD

Pursuant to the requirements under the Rules of Shareholders' Meeting of Listed Companies of the CSRC, independent Directors shall issue a Work Report at the AGM. Such report will be submitted to Shareholders for consideration but not for Shareholders' approval. The Work Report of independent Directors of the Company is set out in Appendix III of this circular for Shareholders' information.

12. CLOSURES OF REGISTERS OF MEMBERS

In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM and the H Shareholders' Class Meeting, the H Share register of the Company will be closed from Wednesday, 8 May 2013 to Friday, 7 June 2013 (both days inclusive) during which period no transfer of H Shares will be effected. In order for the H Shareholders to qualify for attending and voting at the AGM and the H Shareholders' Class Meeting, all transfers accompanied by the relevant share certificates and transfer documents must be lodged with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Tuesday, 7 May 2013.

In order to determine the list of H Shareholders who are entitled to receive the Final Dividend, the H Share register of the Company will be closed from Friday, 14 June 2013 to Wednesday, 19 June 2013 (both days inclusive), during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the H Share Register of Members of the Company as at the Reference Date will be entitled to receive the Final Dividend. In order for the H Shareholders to qualify for the Final Dividend, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Thursday, 13 June 2013.

13. PROXY ARRANGEMENT

Forms of proxy for use at the AGM and the H Shareholders' Class Meeting are enclosed with this circular and such forms of proxy are also published on the websites of the Hong Kong Stock Exchange (<http://www.hkex.com.hk>) and the Company (<http://www.chinamoly.com>). Whether or not you are able to attend the AGM and the H Shareholders' Class Meeting in person, you are requested to complete and return the forms of proxy in accordance with the instructions printed thereon, for holders of H Shares, the proxy forms should be returned to Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 24 hours before the time appointed for holding the relevant meetings or any adjourned meetings thereof. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the AGM and the H Shareholders' Class Meeting or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

14. VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Listing Rules, any votes of the Shareholders at the AGM and the H Shareholders' Class Meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The poll vote results announcements will be published by the Company after the AGM and the H Shareholders' Class Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

15. RECOMMENDATIONS

The Board considers that the proposed amendments to the Articles of Association and the Internal Rules, the investments in projects intended for proceeds raised from the A Share Issue, the proposed appointment of Ms. Gu Meifeng as an executive Director, the proposed mandate to issue Domestic Debt Financing Instruments and overseas debt financing instruments, the proposed distribution of the Final Dividend, the proposed general mandate to repurchase H Shares, the Financial Report, the Budget Report, the proposed amendments to Rules for Management of Funds Raised from Capital Markets and the proposed purchase of liability insurance for Directors, Supervisors and senior management are in the best interests of the Company and the Shareholders. Accordingly, the Board recommends that the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting (as the case may be) as set out in the notice of AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting.

By Order of the Board
China Molybdenum Co., Ltd. *
Wu Wenjun
Chairman

22 April 2013

* *For identification purposes only*

If there is any inconsistency between the English text and the Chinese text in respect of this appendix, the Chinese text shall prevail.

Rules for the Management of External Investment

CHAPTER 1 GENERAL PROVISIONS

- Article 1. To regulate the external investment behaviour of China Molybdenum Co., Ltd.* (the “Company”), prevent investment risk and achieve greater external investment benefits, the rules are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”) and the Rules Governing the Listing of Securities on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, together with the Articles of Association of China Molybdenum Co., Ltd.*(the “Articles of Association”).
- Article 2. External investments in the rules refer to the following domestic and overseas investment behaviour of the Company aiming at earning profit or preserving and increasing value:
- (1) equity investments in newly established enterprises;
 - (2) investment in capital contribution, equity subscription and acquisition in new enterprises;
 - (3) investment in capital contribution, equity subscription and acquisition in existing enterprises;
 - (4) provision of shareholder loans, entrusted loans and trust loans to third parties;
 - (5) disposal of assets or equity investments;
 - (6) operating projects and asset investments of the Company;
 - (7) stock and fund investments;
 - (8) bond, entrusted loan and other debt investments;
 - (9) treasury products of financial institutions;
 - (10) entrusted treasury products of financial institutions;
 - (11) financial derivative investments (including but not limited to options, futures, swaps, etc.) and embedded financial derivative investments;
 - (12) other investment behaviour aiming at obtaining income in the future;
 - (13) other investment behaviour recognised by the board of directors of the Company.
- Article 3. The external investment behaviour of the Company shall comply with the relevant regulations and industrial policies of the PRC, place of listing and the place of external investment, be in line with development strategy of the Company, be favourable to enhance competitiveness of the Company, be favourable to reasonable resource allocation, create satisfactory economic benefits and facilitate sustainable development of the Company.
- Article 4. Investment behaviour shall follow the standards of scientific decision-making, routinised action, systematic management and standardised operation. Investment projects shall be conducted with sufficient elaboration, scientific assessment and regulated decision for preventing investment risk and earning reasonable level of investment income.

* *For identification purposes only*

Article 5. Prior to the decision on material external investment project, feasibility studies shall be conducted on the intended investment projects, various analysis on return on investment, internal rate of return, period for return on investment, investment risk and other analysis which contribute to making investment decisions. The feasibility report on investment shall be provided to the institutions or personnel which/who have the authority to approve the investments as a reference for the decision on external investment.

Article 6. After the initial review of the relevant departments of the Company, the investment projects shall be reviewed and signed by the deputy general manager of the Company who is in charge of those, then submitted to the general manager for decisions, or submitted to investment committee, the board of directors or shareholders' general meeting for decisions upon approval by the general manager of the Company in accordance with the authority on investment decision making.

CHAPTER 2 AUTHORITY ON EXTERNAL INVESTMENT DECISION

Article 7. General meeting, the board of directors, investment committee and general manager of the Company are responsible for making decisions on external investments, and each makes decisions within their respective scope of authority in accordance with the laws.

Article 8. External investment of the Company meeting one of the standards below shall be considered and passed at the Board meeting, then submitted to the shareholders' general meeting for consideration, and shall be disclosed timely:

- (1) any transaction involving a total amount of assets (whichever is higher if there exist both a book value and an appraised value) that accounts for 50% or more of the audited total assets of the Company in the latest period;
- (2) any transaction amount (including assumed liabilities and expenses) that accounts for 50% or more of the audited net assets of the Company in the latest period and with an absolute amount that is more than RMB50 million ;
- (3) any transaction with a profit that accounts for 50% or more of the audited net profits of the Company in the latest financial year and with an absolute amount that is more than RMB5 million;
- (4) any transaction with a subject (such as equity interest) whose relevant operating revenue in the latest financial year accounts for 50% or more of the audited main business revenue of the Company in the latest financial year and with an absolute amount that is more than RMB50 million;
- (5) The net profit derived from the subject of the transaction (such as equity interest) in the latest financial year accounts for 50% or more of the audited net profit of the Company in the latest financial year and with the absolute amount that is more than RMB5 million;

- (6) Except in the aforesaid circumstances, when the Company enters into transactions of “acquisition or disposal of assets”, whether the subjects of the transactions are related, if the total asset value or the transaction amount calculated on an accumulative basis within 12 consecutive months exceeds 30% of the Company’s audited total asset value in the latest period, it should be audited or appraised in accordance with the Rules Governing the Listing of Securities on the Shanghai Stock Exchange and should be submitted to the general meeting for consideration and passed by over two-thirds of the voting rights held by the shareholders attending the meeting.
- (7) Other external investment behaviour which shall be considered and approved by the general meetings of the Company pursuant to the relevant laws, administrative regulations and normative documents in the PRC, the relevant laws and regulations in the Hong Kong Special Administrative Region, the rules or guidance of Shanghai Stock Exchange, the Stock Exchange of Hong Kong Limited and the Articles of Association (the “Regulatory Requirements”).

Article 9. Save and except for external investments subject to consideration and approval at shareholders’ general meetings and by the General Manager as respectively stipulated in Articles 8 and 10 herein, other investments shall be subject to approval by the Board. The Investment Committee of the Company is responsible for considering and approving certain external investments falling within the limits of authority of the Board in accordance with the decision-making rules and authority as approved by the Board. The Investment Committee reports to the Board, and the Board supervises the performance of duties of the Investment Committee.

For external investments subject to consideration and approval by the Board, a majority of votes of all Directors is required, while the external investments subject to consideration and approval by the Investment Committee shall be considered and approved in accordance with relevant decision-making rules of the Investment Committee. Prompt information disclosure (if required) shall be made in accordance with relevant regulatory requirements.

Article 10. The Company’s borrowings from financial institutions shall be considered and approved by the Board, which, depending on the actual conditions of the Company, may delegate such authority to the Investment Committee.

Article 11. The following external investments of the Company shall be considered and approved by the General Manager, except as otherwise required under the regulatory requirements:

- (1) Any single investment or expense (including but not limited to donation, sponsorship and public welfare, etc.) within an accounting year, which is not for the purpose of profit-seeking or not connected with existing daily production and operations of the Company, and does not exceed RMB500,000 in aggregate;
- (2) Any non-operating investment or expense (including but not limited to staff quarters, welfare facilities, etc.) which, on an individual basis, does not exceed RMB1 million;

- (3) Any investment related to the existing daily production and operations of the Company (including but not limited to technical improvement, overhaul and maintenance, equipment procurement, safety and environmental protection measures, etc.) within an accounting year which does not exceed RMB5 million on an individual basis or will not make the accumulated investment of the same category exceed RMB15 million;

Article 12. Investments subject to consideration and approval by the General Manager shall be discussed and approved at the General Manager's work meetings, and shall be reported to the Investment Committee item by item on a quarterly basis, including but not limited to the subject matters of investments and the reasons thereof.

Article 13. Any external investment in respect of connected contractions shall be implemented in accordance with regulatory requirements.

CHAPTER 3 SUBSEQUENT DAILY MANAGEMENT OF EXTERNAL INVESTMENT

Article 14. The Investment Committee shall take charge of the subsequent daily management of external investment. The General Manager shall report to the Investment Committee on a quarterly basis in respect of the implementation and operation of external investment project item by item, and the Investment Committee shall report to the Board on a quarterly basis in respect of the implementation and operation of external investment project item by item.

Article 15. For controlled subsidiaries and affiliated companies formed through external investment, the Company shall assign shareholder representatives, directors, supervisors, legal representatives, general managers, financial controllers and other operation and management members to such newly established companies according to the Company's shareholding proportion in such companies and relevant structure as stipulated in agreements and the articles of association. Such persons may participate in and influence decision making and operation of the new companies after being elected through lawful procedure. The persons assigned by the Company shall report to the Company every month, submit the report every year, and accept assessment indicators and inspection of the Company.

Article 16. The persons assigned by the Company shall meet the requirements on the qualification of directors, supervisors and senior management as set out in Chapter 6 of the Company Law and Chapter 10 of the Articles of Association, duly perform their duties in accordance with the Company Law, the relevant laws and regulations and the Articles of Association, protect the Company's interests during operation and management of the new companies as well as maintain and increase the value of the Company's investment. Either the Board or the General Manager has the right to, in accordance with these rules, remove and replace any assigned persons who fail to meet the aforesaid qualifications and fail to perform their duties.

Article 17. The financial department of the Company shall maintain complete financial records for the Company's external investment activities. For detailed accountings, corresponding subsidiary ledgers shall be set up for each investment to record the relevant detailed information.

Article 18. Accounting policies, accounting estimates and changes adopted in accounting method and financial management of the Company's subsidiaries shall comply with relevant requirements of the accounting standards of the Company.

Article 19. Financial controllers of subsidiaries assigned by the Company shall supervise the truthfulness and legality of financial status of such subsidiaries.

Article 20. The Company shall establish accountability system on investment. Any liable person who makes investment in violation of the PRC laws and the industrial policy of the state, or carries out an investment project without approval of the Company, or carries out an investment project before submitting it for approval, or fail to perform the decision-making procedure as required, or makes substantial mistakes in feasibility study and review of the project due to breach of duty, or losses control over project construction investment, or causes abnormal losses from project operation, or beaches other management regulations, shall be investigated for his/her responsibilities by the Company in all earnestness.

CHAPTER 4 TRANSFER AND WITHDRAWAL OF EXTERNAL INVESTMENT

Article 21. The Company may withdraw external investment upon the occurrence of one of the following situations:

- (1) The operation period of the investment project (enterprise) expires;
- (2) The investment project (enterprise) is unable to repay debts which have fallen due as a result of mismanagement;
- (3) The investment project (enterprise) is unable to continue its operation due to force majeure;
- (4) Occurrence of other situations under which investment could be terminated pursuant to the agreement.

Article 22. The Company may transfer its external investment upon the occurrence of one of the following situations:

- (1) The investment project is obvious against the Company's strategical development and operation target;
- (2) The investment project suffers from continuous losses, and market prospect is bleak;
- (3) The Company is insufficient in working capital and needs to supplement much capital as soon as possible;
- (4) Other reasons that the Company deems necessary.

Article 23. Withdrawal and transfer of external investment shall be made in accordance with relevant regulatory requirements and the Articles of Association.

**CHAPTER 5 REPORTING AND INFORMATION
DISCLOSURE OF SIGNIFICANT EVENT**

Article 24. The Company shall perform its information disclosure obligation in respect of its external investment in strict compliance with the regulatory requirements, the Articles of Association and other relevant requirements.

Article 25. Prior to the disclosure of external investment matters, each informed person shall bear the confidentiality responsibility. Each informed person shall not apply the information to conduct insider transactions, and not disclose or insinuate other person to conduct insider transactions.

Article 26. The Company shall be informed of all information of the subsidiaries, the subsidiaries shall comply with the information disclosure rules of the Company and promptly report the following matters to the Board/Secretary to the Board or relevant departments:

- (1) disposal of assets;
- (2) material litigations and arbitrations;
- (3) external guarantees;
- (4) provision for impairment in respect of relevant assets;
- (5) connected transactions;
- (6) signing material agreements;
- (7) the conclusion, revision and termination of material contracts (borrowings, entrusted operation, entrusted wealth management, donations, contracting, leasing, etc.);
- (8) large amount cheques returned by banks;
- (9) material operating or non-operating loss;
- (10) material losses;
- (11) material administrative punishment;
- (12) other reportable matters required by the Company; or
- (13) other matters required by regulatory requirements.

Article 27. The subsidiaries shall ensure the truthfulness, accuracy and completeness of the information provided by them, and such information shall be submitted to the Company as soon as practicable, so that the secretary to the Board would be able to make timely disclosure.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 28. These rules are applicable to all branches and subsidiaries of the Company.

When considering any investment matters of the Company's affiliated companies (other than subsidiaries), the general meeting, the Investment Committee, the Board or the General Manager's work meeting shall perform the decision-making procedure for external investment and form resolutions in strict compliance with the provisions of these rules. The Company and its relevant persons assigned shall implement such resolutions in relevant decision-making process by the general meeting, the board and the operation management of such affiliated companies.

The proposed investment projects of the Company's subsidiaries and branches, regardless of the investment scale, shall be submitted to the headquarters of the Company for approval. Any substantial investment activities shall not proceed without approval of such investment project by the headquarters of the Company in accordance with these rules.

Article 29. In these rules, reference to "over" or "more than" shall be inclusive.

Article 30. The Company and all its branches and subsidiaries shall carry out the matters concerning the approval and management of external investment in strict compliance with the provisions set out herein.

Article 31. Matters not covered by these rules shall be executed in accordance with the relevant laws, regulation, regulatory documents, regulatory rules and listing rules at the place of listing of the Shares of the Company including Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Rules Governing the Listing of Stocks on the Shanghai Stock Exchange ("Listing Place Regulations") and Articles of Association of the Company. In case of any discrepancy between these rules and the relevant laws, regulation, regulatory documents, Listing Place Regulations and Articles of Association of the Company, the later shall prevail.

Article 32. The Company and its subsidiaries, affiliated companies and branches may prepare relevant specific provisions pursuant to these rules.

Article 33. These rules shall be subject to the interpretation by the Board.

This is the explanatory statement required under the Listing Rules to be sent to the Shareholders to enable them to make an informed decision in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the registered share capital of the Company was RMB1,015,234,105 comprising 1,311,156,000 H Shares of RMB0.20 each and 3,765,014,525 A Shares of RMB0.20 each.

Subject to the passing of the proposed resolution in respect of the granting of the Repurchase Mandate and the approval of the regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and that the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 27 of the Articles of Association, on the basis that no further Shares are issued prior to AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 131,115,600 H Shares (representing 10% of the H Shares in issue as at the date of granting of the Repurchase Mandate) during the proposed repurchase period.

2. REASONS FOR REPURCHASE OF H SHARES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Share repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share of the Company and will only be made when the Directors believe such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing its H Shares, the Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to purchase its H shares. Under the PRC laws, H Shares so repurchased shall be treated as cancelled and the Company's registered capital shall be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company may not repurchase securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement other in accordance with the Listing Rules as amended from time to time.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2012 in the event that the repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of H Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company.

4. H SHARES PRICES

The highest and lowest prices at which the H Shares were traded on the Hong Kong Stock Exchange during the twelve months preceding the Latest Practicable Date were as follows:

	H Share prices	
	<i>(per share)</i>	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2012		
April	3.42	2.99
May	3.22	2.72
June	3.08	2.67
July	3.03	2.62
August	3.06	2.81
September	3.66	2.77
October	3.68	3.20
November	3.49	3.13
December	3.54	3.16
2013		
January	4.37	3.43
February	4.31	3.59
March	3.96	3.38
April (up to the Latest Practicable Date)	3.45	3.10

5. UNDERTAKING

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

None of the Directors, to the best of their knowledge and having made all reasonable enquiries, nor their associates, has any present intention to sell any H Shares to the Company or its subsidiaries under the Repurchase Mandate if such resolution is approved by the Shareholders.

No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell H Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the powers to repurchase H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Luoyang Mining Group Co., Ltd. and Cathay Fortune Corporation held approximately 35.00% and 34.02% of the total registered capital, respectively. In the event that the Directors should exercise the proposed Repurchase Mandate in full, the shareholding of Luoyang Mining Group Co., Ltd. and Cathay Fortune Corporation would be increased to approximately 35.93% and 34.92% of the total registered capital of the Company, respectively. The Directors are not aware of any adverse consequences which will arise under the Takeovers Code and/or any similar applicable law, as a result of any purchases to be made under the Repurchase Mandate. Moreover, the Directors will not make share repurchase on the Hong Kong Stock Exchange if the results of the repurchase would be that less than 25% of the total registered capital of the Company would be in the public hands.

7. H SHARES REPURCHASED BY THE COMPANY

The Company had not repurchased any H Shares (whether on the Hong Kong Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

Being the independent Directors of China Molybdenum Co., Ltd. (hereinafter referred to as the “Company”), we have honestly, diligently and independently performed the duties of independent directors in accordance with the Company Law, the Guidelines on the Establishment of Independent Directorship of Listed Companies, the Articles of Association, the Working Rules for Independent Directors, the Regular Report of Listed Companies Working Memorandum No. 5 and relevant regulations and requirements. We have actively attended the relevant meetings, issued our independent opinions on significant matters of the Company, and earnestly safeguarded the legal interests of the Company and shareholders, especially of the minority shareholders, thereby playing an important role as the independent directors. The performance description for the year 2012 is set out as follows:

I. BIOGRAPHIES OF THE INDEPENDENT DIRECTORS

(i) Personal working experiences, professional background and part-time situation

1. Mr. Bai Yanchun, born in August 1966. He was appointed as an independent non-executive director of the Company in August 2012. He is currently a member of All China Lawyers Association holding a practising solicitor certificate in the PRC. Mr. Bai graduated from China University of Political Science and Law with a bachelor’s degree of laws in 1988. He studied the postgraduate courses at the Center for Chinese and American Studies of Johns Hopkins University in the United States in 1992 and obtained a master’s degree from the School of Law of Stanford University in the United States in 2003. From 1988 to 1992, he worked at the China Council for the Promotion of International Trade. In 1993, he participated in the founding of King & Wood Mallesons and has been engaging in professional legal services such as securities, mergers and acquisitions since then. Mr. Bai was appointed as a member of the ninth session of Issuance Examination Committee of China Securities Regulatory Commission in 2008. Mr. Bai currently serves as an arbitrator of China International Economic and Trade Arbitration Commission and an independent director of the Company.
2. Mr. Cheng Gordon, born in May 1975, has been the Independent Non-Executive Director of CMOC since August 2012. Mr. Cheng graduated from the University of Sydney (Australia) with bachelor degree in commerce (1996) and bachelor degree in law (1998). He is the President and Managing Partner of GD China Clean Energy Capital Partners. He also serves as the senior advisor of Deutsche Bank Global Climate Change Advisors and United Nations Industrial Development Organization (UNIDO) in China. From 2010 to 2011, Mr. Cheng had been the China Chief Representative of LaSalle Fund. Prior to 2010, he served as the Chief Financial Officer and Chief Investment Officer of Sunshine 100 Real Estate Development Group (“Sunshine 100”). Before joining Sunshine 100, he served as the Executive Vice President of Vimicro International Corporation (“Vimicro”), which was listed at NASDAQ in 2005. Before joining Vimicro, he has worked for reputable global investment banks, including J.P. Morgan and Credit Suisse. Mr. Cheng has extensive experience in financing, investing as well as merger and acquisitions, both globally and in China. He serves as the independent director of the Company.

3. Mr. Xu Shan, born in January 1969. He was appointed as an independent non-executive director of the Company in August 2012. He is a PRC certified public accountant and a PRC registered tax agent. Mr. Xu graduated from the Department of Computing and Systematic Science of Xiamen University in 1991 and obtained a doctor's degree in management (accounting) from Xiamen University in 2001. Mr. Xu served as the manager of Xiamen Nongxin Accounting Firm* (廈門農信會計師事務所) from June 1994 to August 1996, the manager of the Accounting Firm of Xiamen University* (廈門大學會計師事務所) from September 1996 to December 1998 as well as a director and partner of Tianjian Zhengxin Accounting Firm* (天健正信會計師事務所) from December 1998 to December 2011. He concurrently served as a special member of the ninth session of Issuance Examination Committee of China Securities Regulatory Commission from 2007 to 2008. Mr. Xu currently acts as the chairman of Xiamen Tianjian Consulting Firm* (廈門天健諮詢公司) and an independent director of Solar Insurance Group Company Limited* (陽光保險集團股份有限公司), Beijing Kalends Science & Technology Company Limited* (北京昆侖萬維科技股份有限公司) and Ningxia EPPEN Biotech Co., Ltd.* (寧夏伊品生物科技股份有限公司), a member of the Core Committee of Investment Banking Business of Cinda Securities (信達證券投資銀行業務內核委員會), a part-time professor of the MPAcc Program of Xiamen University, a consultant of the Private Banking Center of Xiamen Branch of China Construction Bank and an independent director of the Company.
4. Mr. Xu Xu, born in February 1952, has been the independent non-executive Director of CMOC since August 2012. Mr. Xu graduated from the English department of the Advance Learning Institute for Civil Servants of State Economic and Trade Commission (國家經貿部幹部進修學院) in 1984. Mr. Xu acquired his MBA degree from the School of Management, University at Buffalo, the State University of New York in 2001 and doctoral degree in industrial economics from the School of Business in Renmin University of China in 2005. In April 1975, Mr. Xu joined the Ministry of Foreign Trade (國家對外貿易部) (subsequently renamed as the Ministry of Foreign Trade and Economic Cooperation (經貿部), the Ministry of Foreign Trade and Economic (外經貿部), the Ministry of Commerce (商務部)) and served in various positions including third-class secretary, director, deputy director and special commissioner at Chinese embassies. From November 2008 to May 2012, Mr. Xu served as the president of China Chamber of Commerce of Metals Minerals & Chemicals Importers & Exporters. From 2004 to 2008, Mr. Xu served as a member of the Certification and Accreditation Administration of the People's Republic of China. He serves as the independent director of the Company.

(ii) Statement on whether the independence is affected

We are qualified as the independent directors. As the independent directors of the Company, none of us holds any duties other than that of the independent directors, or holds any duties of major shareholders of the Company. There are no relationship between us and the Company and its major shareholders that may have impact on our independent and objective judgments.

II. OVERVIEW OF THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR

Since we were appointed as independent directors of the Company, we have persisted in the due diligence spirit to actively attend the Board meetings and general meetings convened by the Company, carefully reviewed meeting materials, participated in the discussion of various proposals, and gave our clear opinions on the meeting agendas, thus contributing to correct decision-making of the Board. The attendance at the Board meetings, general meetings and the meetings of special committees for the year is set out as follows:

(i) Attendance at the Board meetings of the Company

Names of independent directors	Required attendance for the year	Attendance in person	Attendance by proxy	Absence	Whether not attend in person for two consecutive times
Bai Yanchun	6	6	0	0	No
Cheng Gordon	6	6	0	0	No
Xu Shan	6	6	0	0	No
Xu Xu	6	6	0	0	No

(ii) Attendance at general meetings

Names of independent directors	Required attendance for the year	Attendance in person	Attendance by proxy	Absence
Bai Yanchun	4	4	0	0
Cheng Gordon	4	4	0	0
Xu Shan	4	4	0	0
Xu Xu	4	4	0	0

(iii) Attendance at the meetings of special committees of the Board

Names of independent directors	Meetings of the Audit Committee	Meetings of the Remuneration Committee	Meetings of the Strategic Committee	Meetings of the Nomination Committee of the Board	Absence
Bai Yanchun	N/A	2	3	4	0
Cheng Gordon	1	N/A	N/A	4	0
Xu Shan	1	N/A	N/A	4	0
Xu Xu	N/A	2	3	4	0

(iv) Voting at the meetings

Since we were appointed as the independent directors of the Company, the Board meetings and general meetings of the Company have been convened in compliance with statutory requirements, and all significant matters have passed approval procedures. We have carefully reviewed various proposals at the board meetings, and considered that these proposals do not impair the interests of shareholders, especially of the minority shareholders. All of us voted in favor for, no against and abstentions in respect of relevant proposals.

(v) Issuance of independent opinions

Since we were appointed as the independent directors of the Company, we have earnestly reviewed the proposals submitted to the Board and each special committees prior to the meeting, and honestly, diligently and independently performed the duties as independent directors, in accordance with the provisions and requirements under the Articles of Association and the Rules of Procedure for the Board of Directors. We have actively attended relevant meetings and issued independent opinions on significant matters of the Company, thereby safeguarding the legal interests of the Company and shareholders, especially of the minority shareholders. The detailed independent opinions are set out as follows:

Date of issuance	Contents of independent opinions
23 October 2012	Independent opinions on the engagement of the Secretary to the third session of the Board of China Molybdenum Co., Ltd.
24 October 2012	Independent opinions on the change of the Chairman of the third session of the Board of China Molybdenum Co., Ltd.
24 October 2012	Independent opinions on the change of the General Manager of China Molybdenum Co., Ltd.
15 November 2012	Independent opinions on the change of the Joint Secretary of China Molybdenum Co., Ltd.

(vi) Site inspection and listed companies' cooperation in the work of independent directors

Since we were appointed as the independent directors of the Company, the Company has provided us with the necessary conditions to perform the duties of independent directors according to the regulatory requirements where the Company is listed. Every time we visited the Company and attended the meetings, the Company can provide relevant materials and information in a timely manner and report its operating performance, thus protecting our informed rights. Prior to giving our independent opinions, the Company was able to provide the intermediaries' opinions on related matters as well as special instructions and other materials issued by the responsible department of the Company, thus providing the supporting basis to give our independent opinions. Meanwhile, we paid special attention to the publicity and coverage of relevant companies on public media such as newspaper and network, to deepen the knowledge and understanding of the Company, and also communicated with the Board Secretary about the relevant coverage contents in a timely manner. The Working Rules for Independent Directors formulated by the Company give us system protection in working conditions and informed rights as well as reducing the risk of decision-making and maintaining independence.

III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES OF INDEPENDENT DIRECTORS FOR THE YEAR

(i) Connected transactions

In 2012, the Company did not enter not into any connected transactions as defined in the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

(ii) External guarantee and funds occupation

In 2012, the Company did not have any external guarantee and funds occupation.

(iii) Use of funds raised

The Company issued A shares of RMB600 million in October 2012, and actually raised funds of RMB558.15 million after deducting issuance expenses of RMB41.85 million, which have not been utilised up to now.

(iv) Nomination and remuneration of senior management*1. Nomination of senior management*

Since we were appointed as the independent directors of the Company, the Company has elected Mr. Wu Wenjun as the Chairman of the Company, and appointed Mr. Li Faben as the General Manager, and Zhang Xinhui as the Board Secretary and the Joint Secretary of the Company. Following examining the information of the senior management members provided by the Nomination Committee of the Board, we consider that the qualifications of the proposed senior management are legitimate and in compliance with the provisions of the Company Law and the Articles of Association; the nomination eligibility of the nominators complies with the provisions of the Company Law and the Articles of Association; the nomination and consideration procedures are also in compliance with the provisions of the Company Law and the Articles of Association.

2. Remuneration of senior management

The establishment of the Evaluation Plan for Certain Directors, Supervisors and Senior Management for 2012 was considered and approved by the Remuneration Committee and the Board of the Company, and the procedures complied with the provisions of the Articles of Association and the relevant laws and regulations. In 2012, the Remuneration Committee of the Board reviewed the remuneration and evaluation results for the senior management of the Company for 2011 in accordance with the achievement of performance indicators by senior management for the year, which were also considered and approved by the Board. We considered that the remuneration packages of the Directors and senior management disclosed in 2011 Annual Report of the Company were in compliance with the administration provisions on the performance evaluation and remuneration system of the Company and would be paid in strict accordance with the evaluation results.

(v) Preliminary results announcement and results updates

During the reporting period, the Company did not issue any preliminary results announcement and results updates.

(vi) Appointment and change of auditors

During the reporting period, the Company appointed Deloitte Touche Tohmatsu CPA Ltd. (transformed into Deloitte Touche Tohmatsu Certified Public Accountants LLP (Special General Partnership) on 1 January 2013) as the sole statutory auditor, with the terms of office until the conclusion of the forthcoming annual general meeting (“AGM”) of the Company; and the Company terminated the appointment of Deloitte Touche Tohmatsu as the overseas auditor of the Company. The Board and audit committee of the Company confirmed that there was no disagreement between the Company and Deloitte Touche Tohmatsu in respect of the proposed termination of appointment. Deloitte Touche Tohmatsu also confirmed that they had no inconsistent views with the Company. The Board of the Company considered that the adoption of the PRC GAAP and the preparation of financial statements of the Company hereunder would not have any significant financial impact. We concurred with the Company to appoint Deloitte Touche Tohmatsu CPA Ltd. as the sole statutory auditor of the Company; and the cessation of Deloitte Touche Tohmatsu as the overseas auditor of the Company.

(vii) Cash dividends and other returns to investors

On 24 October 2012, the second meeting of the third session of the Board of the Company considered and approved the Proposal in relation to the Interim Profit Distribution of the Company for the period ended 30 September 2012, which was also approved at the 2012 Third Extraordinary General Meeting held on 21 December 2012. The Board approved to distribute Interim Dividends of the Company for the period ended 30 September 2012 to the Shareholders of the Company, and the particulars of the interim profit distribution were as follows: in light of the operating performance of the Company as of 30 September 2012, the Company distributed a cash dividend to the shareholders of the Company of RMB456,855,347.25 (RMB0.09 per share (tax inclusive)) from the audited accumulated profits as of 31 December 2011 based on total numbers of shares 5,076,170,525 after the said issuance of A shares. The Company did not implement capitalisation of the capital reserve to share capital during the period. The above mentioned profit distribution of the Company complied with the provisions of the Company Law, the Articles of Association and the relevant laws and regulations.

(viii) Performance of undertakings of the Company and its shareholders

During the reporting period, the Company, the controlling shareholder of the Company and the related parties strictly performed their undertakings made during the reporting period and prior periods.

(ix) Information disclosures

During the reporting period, in order to comprehensively, accurately and fairly handle information disclosures of the Company in a timely manner, the Company formulated the Registration and Filing System of Insiders of Inside Information to strengthen the management of the insiders of inside information and promote the Company and related parties to fulfill the information disclosure obligation according to the relevant laws. The examination indicated that during the reporting period, the Company published 28 announcements (123 announcements issued on the website of Hong Kong Exchanges and Clearing Limited). The contents of information disclosures included periodic reports and other temporary reports, basically covering all significant matters of the Company, thereby to enable investors to be aware of the recent development of the Company more rapidly and protect the interests of substantial investors.

(x) Execution of internal control

We have carefully checked the internal control system of the Company, and reviewed the 2012 Self-Evaluation Report on Internal Control issued by the Company. We considered that the Company had basically established an improved internal control system, which could be effectively executed. The 2012 Self-Evaluation Report on Internal Control objectively and truly reflects the establishment of the internal control system of the Company and its working conditions.

(xi) Operations of the Board and its special committees

During the reporting period, the Board of the Company functioned in an orderly manner in accordance with relevant provisions and requirements of the Articles of Association and the Board Meeting System. The special committees of the Board faithfully performed their duties in an earnest, responsible, diligent and honest manner and functioned in an orderly manner in accordance with the respective Terms of Reference and Working Rules.

IV. OVERALL EVALUATION AND RECOMMENDATIONS

In 2012, in the spirit of integrity and diligence and in strict accordance with relevant provisions of the Company Law, the Securities Law, the Guidelines on the Establishment of Independent Directorship of Listed Companies and other laws and regulations as well as the Articles of Association, the Working Rules for Independent Directors and other rules, we actively performed the duties of independent directors, paid special attention to the influence of relevant matters and resolutions on the interests of the Company and all shareholders, gave our independent, objective and reasonable opinions and suggestions on the production, operation and relevant matters of the Company, and earnestly safeguarded the legal interests of all shareholders especially of the minority shareholders. Our independent performance of duties was not influenced by the major shareholders, the actual controller and other companies or individuals that are interested parties of the Company.

In 2013, we will further strengthen communication with the Board of Directors, the Supervisory Committee and the management, closely monitor the corporate governance, production and operation of the Company, diligently and faithfully perform the duties of independent directors, to ensure the objective, impartial and independent operation of the Board of the Company, enhance the decision-making ability and leadership of the Board and make recommendation for decision-making of the Board, thereby promoting the stable operation and the orderly function of the Company, and improving the decision-making ability and operating performance, so as to keep the Company developing in a continuous, stable and sound way, give satisfactory return to substantial investors and safeguard the legal interests of all shareholders especially of minority shareholders.

**Bai Yanchun****Cheng Gordon****Xu Shan****Xu Xu**

I. GENERAL

For the financial work in 2012, in accordance with the general requirements of the Company, efforts have been put in strengthening financial analysis and enhancing the financial management function, all units have overcome the adverse factors in the market and adopted multiple response measures, and successfully completed the financial and operating targets set at the beginning of 2012 through elaborate production and organization and the joint efforts of all staff.

Relevant data of this final report have been audited by Deloitte Touche Tohmatsu.

The overall financial conditions for the year were as follows:

As at 31 December 2012, the total consolidated assets of the Group amounted to RMB15,749,320,000, the total liabilities amounted to RMB3,377,920,000, and the total net assets amounted to RMB12,371,390,000, of which: the minority interests was RMB829,860,000 and the equity attributable to shareholders of the parent company was RMB11,541,530,000.

In 2012, the Group realized a consolidated sales revenue of RMB5,710,890,000, representing a decrease of RMB388,760,000 or 6% as compared with that of last year; realized a net profit of RMB1,016,380,000, representing a decrease of RMB139,790,000 or 12% as compared with that of last year. Among this, the net profit attributable to owners of the parent company amounted to RMB1,050,300,000, representing a decrease of RMB67,870,000 or 6% as compared with that of last year.

II. COMPLETION OF PROFIT BUDGET

As at 31 December 2012, the group recorded a net profit of RMB1,016,380,000, representing a decrease of RMB139,790,000 as compared with the RMB1,156,160,000 in the previous year, which was mainly due to the following reasons,

1. Gross profits on sales

- a. The sales revenue on molybdenum additive materials was RMB2,632,690,000 for the year, representing a decrease of RMB783,730,000 from the previous year. The cost of sales and gross profits on sales decreased RMB130,720,000 and RMB653,010,000 respectively as compared with the previous year.
- b. The sales revenue on tungsten-related products was RMB929,050,000, representing an increase of RMB302,500,000 from the previous year. The cost of sales and gross profits on sales increased RMB52,560,000 and RMB249,940,000 respectively as compared with the previous year.
- c. The sales revenue on deep-processed molybdenum products was RMB135,510,000, representing a decrease of RMB26,220,000 from the previous year. The cost of sales and gross profits on sales decreased RMB7,770,000 and RMB18,450,000 respectively as compared with the previous year.

- d. The sales revenue on gold and silver and relevant products was RMB955,460,000, representing an increase of RMB326,900,000 from the previous year. The cost of sales increased RMB392,780,000 as compared with the previous year, whilst the gross profits on sales decreased RMB65,880,000 as compared with the previous year.
- e. The sales revenue on electrolytic lead was RMB578,800,000, representing an increase of RMB177,110,000 from the previous year. The cost of sales and gross profits on sales increased RMB173,100,000 and RMB4,010,000 respectively as compared with the previous year.
- f. The sales revenue on others was RMB469,390,000, representing a decrease of RMB385,300,000 from the previous year. The cost of sales and gross profits on sales decreased RMB382,100,000 and RMB3,200,000 respectively as compared with the previous year.

Due to the overall impact of the products mentioned above, the gross profits on sales decreased RMB486,600,000 as compared with the previous year. The main reason for the decrease in gross profits on sales was the decrease in selling prices of the major products of the Group as compared to the same period in the previous year, which resulted in a decrease of the overall gross profit margin of the Group from 35.9% of the previous year to 29.8%.

2. Business taxes and levies

For the year ended 31 December 2012, the Group recorded a business taxes and levies of RMB268,890,000, representing an increase of RMB50,090,000 from RMB218,800,000 in 2011, which was mainly due an increase in resource tax as the resource tax rate of raw molybdenum mine increased from RMB8/tonne to RMB12/tonne with effect from February in the year.

3. Selling expenses

For the year ended 31 December 2012, the selling expenses of the Group amounted to RMB25,330,000, representing an increase of RMB700,000 from RMB24,630,000 in 2011, which was mainly attributable to the increase in the sales volume of the relevant products.

4. Administrative expenses

For the year ended 31 December 2012, the administrative expenses of the Group was RMB433,330,000, representing a decrease of RMB26,690,000 from RMB460,020,000 in 2011, which was mainly attributable to the intensified expenses control imposed by the Group during the year.

5. Financial expenses

The finance expenses of the Group amounted to RMB49,600,000 for the year, representing a decrease of RMB19,100,000 from RMB68,700,000 in 2011, which was mainly attributable to an increase in interest income on bank structured deposits.

6. Impairment loss of assets

The impairment loss of assets for the year was RMB27,850,000, representing an increase of RMB4,650,000 from RMB23,200,000 in 2011, which was mainly attributable to the increase in the allowance for inventories of Yongning Gold & Lead in the period than the previous year.

7. Investment income

The investment income of the Group was RMB151,040,000 for the year, representing an increase of RMB24,000,000 from RMB127,040,000 in 2011, which was mainly attributable to the income increase from the investment in treasury products and improvement in results of Yulu Company, an associated company, as compared with the previous year.

8. Non-operating income

The non-operating income of the Group amounted to RMB54,190,000 for the year, representing an increase of RMB39,380,000 from RMB14,800,000 in 2011, which was mainly attributable to an increase in the government grants received during the year as compared with last year.

9. Non-operating expenses

The non-operating expenses of the Group amounted to RMB4,210,000 for the year, representing a decrease of RMB16,190,000 from RMB20,400,000 in 2011, which was mainly due to a decrease in net loss from the disposal of fixed assets in the year as compared with the previous year.

10. Income tax expenses

The income tax expenses of the Group amounted to RMB80,580,000 for the year, representing a decrease of RMB275,170,000 from RMB355,750,000 in 2011. Such decrease was mainly attributable to the Company's entitlement to an income tax preferential ratio of 15% upon being recognized as a new and high technology enterprise.

III. CHANGES IN THE BALANCE SHEET**(i) Changes in total assets**

As at 31 December 2012, the total assets of the Company amounted to RMB15,749,320,000, representing an increase of RMB803,190,000 or 5% as compared with that at the beginning of the year.

Of which: Current assets were RMB7,613,410,000 and non-current assets were RMB8,135,910,000, representing an increase of RMB762,710,000 or 11% and an increase of RMB40,480,000 or 0.5% as compared with the beginning of the year, respectively. The main reason is the funds raised from A share issue for the year:

(ii) Changes in total liabilities

As at 31 December 2012, the total liabilities of the Company amounted to RMB3,377,920,000, representing an increase of RMB309,220,000 or 8% as compared with the beginning of the year. Of which: the current liabilities were RMB1,305,630,000 and the non-current liabilities were RMB2,072,290,000, representing a decrease of RMB2,061,170,000 or 61% and an increase of RMB1,751,950,000 or 547% as compared with the beginning of the year, respectively; mainly attributable to the RMB2 billion of short-term financial bonds repaid and RMB2 billion of five-year medium-term notes issued by the Company.

(iii) Changes in minority interests

As at 31 December 2012, the total minority interests amounted to RMB829,860,000, representing a decrease of RMB38,990,000 or 4% as compared with the RMB868,850,000 at the beginning of the year, mainly because: the losses of the holding subsidiaries increased by RMB59,640,000 as compared with last year, thus reducing the minority interests.

(iv) Changes in equity attributable to shareholders of the parent company

As at 31 December 2012, the total equity attributable to shareholders of the parent company amounted to RMB11,541,530,000, representing an increase of RMB1,151,400,000 or 11% as compared with the RMB10,390,130,000 at the beginning of the year. The main reason is the earnings in the year were more than the profit distribution for the same year.

IV. COMPLETION OF KEY FINANCIAL INDICATORS**(i) Solvency indicators***1. Assets-liabilities ratio*

In 2012, the assets-liabilities ratio was 21%, representing a decrease of 3 percentage points as compared to the 25% in the corresponding period last year, mainly attributable to the RMB300 million short-term loans paid back to the bank for the year.

2. Current ratio

The current ratio for the year was 583%, representing an increase of 3.8 times as compared with the 203% last year, mainly because the Company paid back RMB2 billion of short-term financial bonds for the year, thus reducing the current liabilities, while RMB558 million were raised from A share issue, thus increasing its current assets.

3. Quick ratio

The quick ratio for the year was 483%, representing an increase of 3.28 times as compared with the 155% last year, mainly attributable to the decrease of RMB340 million in closing inventory as compared with the opening inventory.

(ii) Financial indicators for asset-liability management capability

As compared with the previous year, among financial indicators for asset-liability management capability, the inventory turnover rose as compared with that of last year, while the total assets turnover, current assets turnover and accounts receivable turnover declined as compared with those of last year. The main reason for the increase in turnover ratio is that the closing inventory balance was less than the opening inventory balance, and the main reason for the decline in other ratios is that the sales revenue for the period was less than that of last year.

(iii) Financial indicators for profitability

All the profitability indicators for the year declined as compared with those of last year, with decrease ranging from 1 to 3 percentage points. The main reason for the decrease in the net profit margin on sales, the return on total assets and the return on net assets is that the net profits for the period is less than those of last year, and main reason for the decrease in EPS and net assets per share (“NAPS”) is that the Company issued 200 million A shares for the period, diluting the EPS and NAPS.

V. CHANGES IN CASH FLOWS

The net cash flows generated from operating activities was RMB1,606,170,000; net cash flow generated from investment activities was RMB-2,666,860,000; net cash flows generated from financing activities was RMB-254,820,000; influence of exchange rate movement on cash and cash equivalents amounted to RMB-50,000; net inflows of cash and cash equivalents for the year were RMB-1,315,560,000, representing a decrease of RMB1,255,310,000 as compared with the RMB-60,250,000 last year, of which, the operating net cash flows increased by RMB578,020,000 as compared with that of last year, the net cash flows from investing activities reduced by RMB2,079,780,000 as compared with that of last year, the net cash flows from financing activities increased by RMB248,400,000 as compared with that of last year, and the influence of exchange rate movement on cash and cash equivalents reduced by RMB1,950,000 as compared with that of last year.

The increase in the net cash flows from operating activities was mainly attributable to the measures such as reinforcement on the collection on receivables, extension on the deadlines of external payments and inventory reduction as those measures reduced the cash outflow of operating activities. The decrease in net cash flows from investing activities was mainly attributable to the increase in purchasing financial products, and the maturity of the financial products at the end of the period has not been reached. The increase in the net cash flows from financing activities was mainly attributable to the receipt of the proceeds from the A share issue.

If there is any inconsistency between the English text and the Chinese text in respect of this appendix, the Chinese text shall prevail.

RULES FOR MANAGEMENT OF RAISED FUNDS

CHAPTER I GENERAL PROVISIONS

- Article 1 In order to reinforce and regulate the management of the fund raised and enhance the efficiency and benefits of use of proceed, the Company formulates this system in accordance with requirements of the Company Law of the People's Republic of China (the "PRC"), Securities Law of the PRC, Measures on Administration of Initial Public Offering and Listing, Administrative Measures on Issuance of Securities by Listed Companies, Notice on Further Regulation of the Utilisation of Funds Raised by Listed Companies, Regulation on Report of Use of Raised Fund from the Previous Issuance, Supervision Guide No. 2 on Listed Companies - Regulatory Requirements on the Management and Use of Raised Fund of Listed Companies, Listing Rules of the Shanghai Stock Exchange, Administrative Measures on Raised Fund by Listed Companies on the Shanghai Stock Exchange and other applicable laws and regulations, together with the Articles of Association of China Molybdenum Co., Ltd.* ("Articles of Association").
- Article 2 The raised fund in this system means the fund raised by the Company from investors through public issuance (including IPO, placement, additional issuance, and issuance of convertible corporate bonds, issuance of convertible corporate bonds in separate trading etc.) and private placement of securities, but excluding the fund raised by the Company for implementing stock incentive plan. Fund raised shall be subject to the verification and issuance of a capital verification report by a qualified accounting firm engaged in securities business.
- Article 3 The Directors of the Company shall perform its due diligence obligations on the management and use of raised fund. Prior to any raising activities, the Directors shall, based on the Company's development strategy, principal business, market circumstances and the State's industry policy, provide adequate proof on the feasibility of proposed investment of raised fund, specify the amount, investment target, planned progress and expected revenue thereof and submit the proposal to the shareholders' general meeting of the Company for approval.
- Article 4 The Board of Directors (the "Board") and the supervisory committee of the Company shall strengthen their examination on the utilisation of raised fund to ensure that the use of proceed be in line with its undertaking in prospectuses of raised fund or approval of the utilisation be granted by the shareholders' general meeting. The Board shall track the status and result of investment whether both can reach the estimated level as stated in the prospectuses of raised fund. Independent Directors shall perform obligatory duties whether the allocation of raised fund of the Company, the management and use of proceed are beneficial to the interests of the Company and investors. The audit firm of the Company shall concern about the conformity of the deposit and use of raised fund with the information disclosure of the Company.

* For identification purposes only

CHAPTER II DEPOSIT OF RAISED FUND

Article 5 The raised fund will be deposited in the special account determined by the Board (hereafter referred to as the “Special Account for Raised Fund”) for concentrated management, and the Special Account for Raised Fund will not include other fund or be used for other purposes.

Article 6 The Company shall enter into a Three-Party Custody Agreement relating to the Special Account for Raised Fund (hereinafter referred to as the “Agreement”) with the sponsor and the commercial bank (hereinafter referred to as the “Commercial Bank”) where such Raised Fund is deposited within one month of the deposit. The Agreement shall include at least the followings:

1. The Company shall deposit the raised fund into the Special Account for Raised Fund;
2. The Commercial Bank shall provide the Company with the bank statement relating to the Special Account for Raised Fund, and shall forward a copy to the sponsor;
3. Where the amount drawn by the Company once at a time or aggregately within 12 months exceeds RMB50 million from the Special Account for Raised Fund and accounts for 20% of the total amount in the raised fund minus the issuance cost (hereinafter referred to as “Net Raised Fund”), the Company shall timely notify the sponsor;
4. The sponsor may inquire at any time the information of the Special Account for Raised Fund at the Commercial Bank;
5. The defaulting liabilities for the Company, the Commercial Bank and the sponsor.

The Company shall submit the above agreement to Shanghai Stock Exchange for record and make announcement within 2 trading days upon the execution of the Agreement.

Article 7 Where above-mentioned Agreement is terminated earlier before the expiration of validity term due to such reasons as the change of sponsor or Commercial Bank, the Company shall enter into a new agreement with relevant parties within 2 weeks as of such termination, and shall submit the new agreement to Shanghai Stock Exchange for record and make announcement within 2 trading days upon the execution of the new agreement.

CHAPTER III USE OF RAISED FUND

Article 8 The raised fund shall be used by the Company according to the use plan of raised fund committed in the document in relation to the issuance application. Where any circumstances occur that materially affects the use plan of raised fund, the Company shall timely report to Shanghai Stock Exchange, and make public announcement.

Article 9 Where any of the following circumstances occur to the raised fund investment project (hereinafter referred to as the “Investment Project”), the Company shall re-evaluate the feasibility, expected income, etc. of such Investment Project, decide whether to continue the implementation of such project, and disclose in the latest periodic report of the progress of the project, reasons for abnormal circumstances and the Investment Project after adjustment (if any):

1. The market environment involved in the Investment Project changes significantly;
2. The Investment Project delays for more than one year;
3. The period for previous raised fund investment plan has expired, and the investment amount of the raised fund has not reached 50% of relevant planned amount;
4. Other abnormal situations occur to the Investment Project.

Article 10 The Investment Project may not be holding trading financial assets and available-for-sale financial assets, loan to others, asset management or other financial investment; and may not be directly or indirectly for investments in the companies whose main business is to trade marketable securities.

Article 11 The Company may not make disguised change of the purpose of raised fund through pledge, entrusted loans and other manners;

Article 12 The raised fund may not be used or misappropriated by the controlling shareholder, actual controller or other connected persons, and the Company shall adopt effective measures to prevent connected persons from gaining unlawful benefits through the Investment Project.

Article 13 When the Company previously invested with own fund in Investment Project, it may replace its own fund with the raised fund within 6 months after the raised fund is transferred to the account. As to the replacement, it will not be implemented until the Board examines and approves, the Company shall obtain a verification report from an accounting firm, and the independent directors, supervisory committee and the sponsor will make express affirmative opinion. The Board shall report to Shanghai Stock Exchange for record and make announcement within 2 trading days after the completion of the replacement.

Article 14 The temporarily unused raised fund of the Company may be delivered to cash management, and the invested product shall meet the following conditions:

- (1) High safety, principal preservation, and the product issuer can make promise of preserving principal;
- (2) Good liquidity and will not affect the normal operation of the raised fund investment plan.

The invested product may not be pledged, and the specific product settlement account (if applicable) may not include other fund than raised fund or be used for other purposes. Where establishing or cancelling the specific product settlement account, the Company shall report to the stock exchange for record within 2 trading days and make public announcement.

Article 15 Where the Company invests the unused raised fund in any investment products; it shall obtain the approval from the Board of the Company, and require the independent directors, supervisory committee and sponsor to make express affirmative opinion.

The Company shall announce the followings within 2 trading days after the meeting of the Board:

- (1) The basic information of the raised fund, including the time for raising the fund, amount, Net Raised Fund and investment plan etc;
- (2) The information of use of raised fund;
- (3) The amount and period of unused fund that is invested in any investment product, and whether there is any act that changes the raised fund purposes in disguise and whether there is any measure that ensure the normal operation of the raised fund project not to be affected;
- (4) The income distribution method, investment scope and safety of the invested product;
- (5) Opinion from the independent directors, supervisory committee and the sponsor.

Article 16 In order to avoid raised fund laid up and exploit the efficiency of its utilisation, the raised fund may be used for temporarily supplementing the working capital under laws, regulations and normative documents, it shall meet the following requirements:

1. It may not change the purpose of raised fund in disguise and may not affect the normal operation of raised fund investment plan;
2. It is limited to the production and operation relating to main business, and may not be used for placement of new shares or subscription, or be used for trading of shares and its derivatives as well as convertible corporate bonds, etc. through direct or indirect arrangement;
3. The time for each amount supplementing working capital shall not exceed 12 months;
4. The due previous raised fund temporarily supplementing working capital has been repaid (if applicable).

Where the Company uses unused fund to temporarily supplement the working capital, it shall obtain the approval from the Board, obtain the affirmative opinion made by independent directors, sponsors and supervisory committee, and shall report to Shanghai Stock Exchange and make announcement within 2 trading days.

Before the time for supplementing working capital expires, the Company shall pay such fund back to the Special Account for Raised Fund, and shall report to Shanghai Stock Exchange and make announcement within 2 trading days after the full repayment of fund.

Article 17 If the actual Net Raised Fund exceeds the planned raised fund, the excess portion (hereinafter referred to as “Excess Fund”) may be used for permanently supplementing working capital or repaying bank loans, but the aggregated amount for each 12 months may not exceed 30% of the total raised fund. The Company shall undertake not to make high-risk investment or provide financial support for others within 12 months after supplementing working capital.

Article 18 Where the Excess Fund is used for permanently supplementing working capital and repaying bank loans, it will be subject to the consideration and approval from the Board and the shareholders' general meeting. Online voting shall be available for the shareholders, and independent directors, supervisors and sponsor shall express affirmative opinion.

The Company shall report to the Shanghai Stock Exchange for record and announce the followings within 2 trading days after the Board meeting:

- (1) The basic information of the raised fund, including the time for raising the fund, amount, Net Raised Fund, excess fund and investment plan, etc.;
- (2) The information of use of raised fund;
- (3) The necessity and detailed use plan of the Excess Fund used for permanently supplementing working capital and repaying bank loans;
- (4) The undertaking of not making high-risk investment nor providing financial support for others within 12 months after supplementing working capital;
- (5) The impact on the Company from the use of Excess Fund used for permanently supplementing working capital and repaying bank loans;
- (6) Opinion from the independent directors, supervisory committee and the sponsor.

Article 19 When the Company invested Excess Fund in projects under construction and new projects (including acquisition of assets), the investment will be limited to its main business. The Company shall apply the relevant regulations of Article 22 to 27 in this system, conduct the feasibility analysis of the new Investment Project in a scientific and diligent manner, and timely carry out the obligation of disclosure.

Article 20 Where a single Investment Project is completed and the Company uses the remaining raised fund of such project (including interest income) for other Investment Project, it shall do the same after obtaining the approval from the Board and after the independent directors, sponsors and supervisory committee express affirmative opinion. The Company shall report to Shanghai Stock Exchange and make announcement within 2 trading days after the Board meeting.

Where the remaining raised fund (including interest income) is less than RMB1 million or less than 5% of the committed investment amount of the raised fund of such Investment Project, the Company may be exempted from the preceding procedures, and the usage information shall be disclosed in its annual report.

Where the remaining raised fund (including interest income) of a single Investment Project is used for other project than Investment Project (including supplementing working capital), it will perform relevant procedures and disclosure obligations by reference to the changed Investment Project.

Article 21 After the entire Investment Project is completed, if the remaining raised fund (including interest income) is more than 10% of the Net Raised Fund, the Company may use the remaining raised fund after the Board and the shareholders' general meeting consider and approve, and the independent directors, sponsor and supervisory committee issue their confirmative opinion. The Company shall report to Shanghai Stock Exchange and make announcement within 2 trading days after the Board meeting.

If the remaining raised fund (including interest income) is less than 10% of the Net Raised Fund, the Company may use the remaining raised fund after the Board considers and approves, and the independent directors, sponsor and Supervisory Committee issue their affirmative opinion. The Company shall report to Shanghai Stock Exchange and make announcement within 2 trading days after the Board meeting.

If the remaining raised fund (including interest income) is less than RMB5 million or less than 5% of the Net Raised Fund, the Company may be exempted from performing the preceding procedures, and the information of usage shall be disclosed in its latest periodic report.

CHAPTER IV CHANGE OF ALLOCATION OF RAISED FUND

Article 22 When the Investment Project of the Company is changed, it shall be subject to the consideration and approval by the Board and the general meeting as well as affirmative opinion of and the independent directors, sponsor and supervisory committee.

Where the Company merely changes the implementing site of Investment Project, it may be exempted from the preceding procedures, and shall be subject to the consideration and approval of the Board. The Company shall report to Shanghai Stock Exchange and announce the change reasons and the sponsor's opinion within 2 trading days.

Article 23 The changed Investment Project of the Company shall be limited to the main business.

Article 24 The Company shall conduct the feasibility analysis of the new Investment Project in a scientific and diligent manner, ensure that the Investment Project has good market prospect and profitability, effectively avoid investment risks, and enhance the efficiency of raised fund.

Article 25 Where the Company changes the Investment Project, it shall report to Shanghai Stock Exchange and announce the followings within 2 trading days upon submitting to the Board for consideration and approval:

1. The basic information of the original Investment Project and the specific reason for the change;
2. The basic information of the new Investment Project, feasibility analysis and risk alert;
3. The investment plan of new Investment Project;
4. The explanation on the approval that has been granted or pending from the relevant departments for new Investment Project (if applicable);
5. Opinion of the independent directors, supervisory committee and the sponsor on the change of the Investment Project;

6. Explanation on the requirement of consideration from general meeting that the changed Investment Project is still subject to;
7. Other requirements of the Shanghai Stock Exchange.

Where the new Investment Project involves connected transaction, acquisition of assets and foreign investment, the Company shall disclose according to relevant provisions.

Article 26 Where the Company changes the Investment Project and uses the fund to acquire the assets from the controlling shareholder or the actual controller (including equities), it shall ensure that the acquisition will effectively avoid horizontal competition and reduce connected transaction.

Article 27 Where the Company intends to transfer or replace the Investment Project (except that the Investment Project has been wholly transferred or replaced during the implementation of material assets reorganisation in the Company), it shall report to Shanghai Stock Exchange and announce the followings within 2 trading days after submitting to the Board for consideration:

1. The specific reasons for transferring or replacing Investment Project;
2. The amount of raised fund that has been invested in the project;
3. The completion degree and realised efficiency of the project;
4. The basic information, feasibility analysis and risk alert of the replacement project (if applicable);
5. The pricing basis and relevant income of transfer or replacement;
6. The opinion of independent directors, supervisory committee and the sponsor on the transfer or replacement of Investment Project;
7. The explanation on the requirement of consideration from shareholders' general meeting that the transfer or replacement of Investment Project is still subject to;
8. Other requirements of the Shanghai Stock Exchange.

The Company shall pay full attention to the collection and use of the transfer price, the change information of the ownership of replacement assets, and the continuous operation of the replacement assets, and shall perform necessary obligations relating to information disclosure.

CHAPTER V MANAGEMENT AND SUPERVISION ON THE USE OF RAISED FUND

Article 28 The Board of the Company shall fully examine the status of Investment Project every half a year, and issue the Special Report relating to Deposit and Actual Use of the Raised Fund of the Company based on the conditions concerning actual deposit and use of Raised Fund.

The Company shall provide specific explanation in the Special Report relating to Deposit and Actual Use of the Raised Fund of the Company on the difference between the actual investment status and the investment plan of the Investment Project. When investing in products by use of unused Raised Fund for the current period, the Company shall disclose information, including revenue for the reporting period, share of investment at the end of the reporting period, signing parties, product name and maturity term, in the Special Report relating to Deposit and Actual Use of the Raised Fund of the Company.

The Special Report relating to Deposit and Actual Use of the Raised Fund of the Company shall be subject to consideration and approval by the Board and the supervisory committee, and shall be reported to the Shanghai Stock Exchange and announced within 2 trading days after submitting to the Board for consideration. The Company shall appoint an accounting firm for issuance of a verification report based on the conditions of deposit and use of raised fund at the time of annual audit, shall submit to the Shanghai Stock Exchange at the time of disclosure of annual report and make disclosure on the website of the Shanghai Stock Exchange.

Article 29 The audit committee and supervisory committee under the Board or above half of the independent directors may appoint a certified public accountant to conduct special investigation on the deposit and use of raised fund and issue a verification report. The Company shall proactively facilitate the above and bear necessary costs arise.

The Board shall report to the Shanghai Stock Exchange within 2 trading days following its receipt of the verification report as stipulated in the preceding terms and publish an announcement thereof. If the verification report considers a breach of rule regarding the management and use of raised fund by the Company, the Board shall also announce the situation concerning the breach of rule by the deposit and use of Raised Fund, the consequences resulted in or possibly caused and measures adopted or intended to be adopted.

Article 30 The sponsor shall conduct an on-site investigation on the actual deposit and use situations of raised fund of the Company at least once half yearly.

Following the end of each financial year, the sponsor shall issue a special verification report relating to the annual deposit and use of Raised Fund of the Company, and shall submit to the Shanghai Stock Exchange at the time of disclosure of annual report and make disclosure on the website of the Shanghai Stock Exchange. The verification report shall include the followings:

- (1) Situations relating to the deposit, use of raised fund and the specific account balance;
- (2) Progress of raised fund, including the difference between the actual progress and the planned investment progress of raised fund;

- (3) The information of the Company's own fund of the investment project that replaces the previously invested fund with raised fund (if applicable);
- (4) The situation and effect of using unused raised fund to supplement working capital (if applicable);
- (5) The situation of the use of Excess Fund (if applicable);
- (6) The situation of the change of allocation of raised fund;
- (7) The conclusive opinion relating to whether the deposit and use of raised fund is compliant with laws and regulations;
- (8) Other requirements of the Shanghai Stock Exchange.

After each financial year end, the Board of the Company shall disclose the conclusive opinion from the special examination report issued by the sponsor and the verification report issued by an accounting firm in the Special Report relating to Deposit and Actual Use of the Raised Fund of the Company.

CHAPTER VI SUPPLEMENTARY PROVISIONS

- Article 31 Where the Investment Project is carried out by the Company's subsidiary or other enterprise controlled by the Company shall be subject to these provisions.
- Article 32 Any issues not covered by these rules will be governed by relevant laws, regulations and normative documents of the state and relevant provisions of the Articles of Association of the Company. If any provision of these rules contradicts to any laws, regulations and normative documents or the Articles of Association, such laws, regulations, rules and the Articles of Association of the Company shall prevail.
- Article 33 Except for strictly complying with relevant laws, regulations, normative documents, Listing Rules of the Shanghai Stock Exchange and relevant provisions under these rules about the use, deposit and change of allocation of raised fund, the Company shall still strictly observes the provisions about information disclosure under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- Article 34 The Board shall revise these rules in accordance with the provisions of relevant laws and regulations and the Company's actual situation.
- Article 35 These rules were taken effect and implemented from the date on which they were considered and approved by the Board of the Company.



洛陽樂川鉬業集團股份有限公司

China Molybdenum Co., Ltd.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03993)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of China Molybdenum Co., Ltd.* (the “Company”) will be held at 8:30 a.m. on Friday, 7 June 2013 at the International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the People’s Republic of China for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolutions. Unless otherwise indicated, capitalized terms used herein have the same meanings as those defined in the circular of the Company dated 22 April 2013 (the “Circular”).

ORDINARY RESOLUTIONS

1. “To receive and consider the financial statements of the Company for the year 2012.”
2. “To receive and consider the financial report of the Company for the year 2012.”
3. “To consider and approve the profit distribution plan of the Company for the year 2012.”
4. “To receive and consider the report of the Board for the year 2012.”
5. “To receive and consider the report of the supervisory committee of the Company for the year 2012.”
6. “To receive and consider the annual report of the Company for the year 2012.”
7. “To consider and approve the re-appointment of the auditors of the Company for the year 2013 and to authorise the Board to determine its remuneration.”
8. “To consider and approve the proposed purchase of liability insurance for the Directors, Supervisors and senior management of the Company.”
9. “To consider and approve the proposed amendments to the Company’s Rules for Management of Provision of Securities to Third Parties.”

* *For identification purposes only*

NOTICE OF AGM

10. “To consider and approve the proposed amendments to the Company’s Rules for Management of Funds Raised from Capital Markets.”
11. “To consider and approve the proposed amendments to the Company’s Rules for External Investment Management.”
12. “To consider and approve the proposed cessation of investments in certain A Share Issue projects.”
13. “To consider and approve the Budget Report.”

SPECIAL RESOLUTIONS

14. “To consider and approve the proposed amendments to the Articles of Association.”
15. “To consider and approve the proposed appointment of Ms. Gu Meifeng as an executive Director of the third session of the Board, with the term of office from the date of passing of this resolution to the conclusion of the annual general meeting to be held in 2015 and to authorise the Board to determine the remuneration of Ms. Gu Meifeng.”
16. “To consider and approve the proposed grant of the general mandate to the Board to repurchase H Shares as follows:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H shares in issue on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange or of any other governmental or regulatory body;
 - (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 percent of the aggregate nominal value of H Shares in issue as at the date of the passing of this resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - i. the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the A Shareholders’ Class Meeting (or on such adjourned date as may be applicable); and the H Shareholders’ Class Meeting (or on such adjourned date as may be applicable);
 - ii. the approval of the regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and

NOTICE OF AGM

- iii. the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 27 of the Articles of Association of the Company;
- (d) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until whichever is the earlier of:
- i. the conclusion of the next annual general meeting of the Company; or
 - ii. the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting; and
- (e) Subject to the approval of all relevant government authorities in the PRC for the repurchase of such H Shares being granted, to authorise the directors of the Company to:
- i. formulate and implement detailed repurchase plan, including but not limited to repurchase price, number of shares to be repurchased, timing of repurchase and period of repurchase etc;
 - ii. notify creditors and make announcement in accordance with the requirements of relevant laws, regulations and normative documents as well as the Articles of Association of the Company;
 - iii. open overseas share accounts and to carry out related change of foreign exchange registration procedures;
 - iv. carry out relevant approval and filing procedures as required by regulatory authorities and the stock exchanges where the shares of the Company are listed;
 - v. carry out cancellation procedures for repurchased shares, reduce the registered capital of the Company, and make corresponding amendments to the Articles of Association of the Company relating to total share capital and shareholding structure etc, and to carry out statutory registrations and filings within and outside China; and
 - vi. execute and handle other documents and matters related to share repurchase.”
17. “To consider and approve the proposed grant of general mandate to the Board to issue inter-bank medium-term notes and short-term financing bonds.”
18. “To consider and approve the proposed authorisation to the Board to issue overseas debt financing instruments.”

NOTICE OF AGM

By Order of the Board
China Molybdenum Co., Ltd.*
Wu Wenjun
Chairman

Luoyang City, Henan Province, the PRC, 22 April 2013

* *For identification purposes only*

Notes:

- (1) Pursuant to the requirements under the Rules of Shareholders' Meeting of Listed Companies of the China Securities Regulatory Commission, independent directors shall issue a work report at the annual general meeting. Such report will be submitted to shareholders for consideration but not for shareholders' approval. The Work Report of Independent Directors of the Company is set out in Appendix III of the Circular of 2012 AGM of the Company for shareholders' information.
- (2) All resolutions at the meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates to a procedural or administrative matter to be voted on by a show of hands pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The results of the poll will be published on the Stock Exchange of Hong Kong Limited and the Company's websites in accordance with the Listing Rules.
- (3) H Shareholders who intend to attend the annual general meeting in person or by proxy should return the reply slip to the office of the Board at the Company's principal place of business in the PRC 20 days before the meeting, i.e. before Saturday, 18 May 2013 by hand, by post or by fax. The contact details of the office of the Board at the Company's principal place of business in the PRC are set out in note (10) below.
- (4) Each Shareholder of the Company who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his behalf at the AGM. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. In case that an appointer is a body corporate, the instrument must be either under the common seal of the body corporate or under the hand of its director or other person, duly authorised. If the instrument appointing a proxy is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be certified by a notary public. For H Shareholders, the form of proxy and the notarially certified power of attorney or other documents of authorisation must be delivered to the Company's H Share registrar at the address stated in note (9) below by post or facsimile, not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude a Shareholder from attending and voting at the AGM or any adjournment should he/she so wish.
- (5) In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM, the H Share register of members of the Company will be closed from Wednesday, 8 May 2013 to Friday, 7 June 2013 (both days inclusive) during which period no transfer of shares will be effected. H Shareholders whose names appear on the register of members of H Shares of the Company at 4:30 p.m. on Tuesday, 7 May 2013 shall be entitled to attend and vote at the AGM. In order for the H Shareholders to qualify for attending and voting at the AGM, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Tuesday, 7 May 2013.

NOTICE OF AGM

- (6) In order to determine the list of H Shareholders who are entitled to receive the final dividend, the H Shares register of members of the Company will be closed from Friday, 14 June 2013 to Wednesday, 19 June 2013 (both days inclusive) during which period no transfer of shares will be effected. H Shareholders whose names appear on the register of members of H Shares of the Company on Wednesday, 19 June 2013 shall be entitled to receive the Final Dividend. In order for the H Shareholders to qualify for receiving the final dividend, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Thursday, 13 June 2013.
- (7) Shareholders or their proxies must present proof of their identities upon attending the AGM. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.
- (8) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the AGM.
- (9) The address and contact details of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, are as follows:
- 17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
Telephone No.: (+852) 2862 8555
Facsimile No.: (+852) 2865 0990 / (+852) 2529 6087
- (10) The address and contact details of the Company's principal place of business in the PRC are as follows:
- North of Yihe
Huamei Shan Road
Chengdong New District
Luanchuan County
Luoyang City
Henan Province
People's Republic of China
Telephone No.: (+86) 379 6865 8017
Facsimile No.: (+86) 379 6865 8030
- (11) The AGM is expected to last not more than one day. Shareholders or proxies attending the AGM are responsible for their own transportation and accommodation expenses.



洛陽樂川鉬業集團股份有限公司

China Molybdenum Co., Ltd. *

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03993)

NOTICE OF 2013 FIRST CLASS MEETING OF A SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 2013 first class meeting of A shareholders of China Molybdenum Co., Ltd.* (the “**Company**”) will be held after the AGM or any adjournment thereof, on Friday, 7 June 2013 at the International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the People’s Republic of China for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolution. Unless otherwise indicated, capitalized terms used herein have the same meanings as those defined in the circular of the Company dated 22 April 2013 (the “**Circular**”):

SPECIAL RESOLUTION

“To consider and approve the proposed grant of the general mandate to the Board to repurchase H Shares as follows:

- (a) subject to paragraphs (b) and (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H shares in issue on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange or of any other governmental or regulatory body;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 percent of the aggregate nominal value of H Shares in issue as at the date of the passing of this resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - i. the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the AGM to be held on Friday, 7 June 2013 (or on such adjourned date as may be applicable); and the H Shareholders’ Class Meeting to be held on Friday, 7 June 2013 (or on such adjourned date as may be applicable);

* For identification purposes only

NOTICE OF 2013 FIRST CLASS MEETING FOR HOLDERS OF A SHARES

- ii. the approval of the regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and
 - iii. the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 27 of the Articles of Association of the Company;
- (d) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until whichever is the earlier of:
- i. the conclusion of the next annual general meeting of the Company; or
 - ii. the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting; and
- (e) Subject to the approval of all relevant government authorities in the PRC for the repurchase of such H Shares being granted, to authorise the directors of the Company to:
- i. formulate and implement detailed repurchase plan, including but not limited to repurchase price, number of shares to be repurchased, timing of repurchase and period of repurchase etc;
 - ii. notify creditors and make announcement in accordance with the requirements of relevant laws, regulations and normative documents as well as the Articles of Association of the Company;
 - iii. open overseas share accounts and to carry out related change of foreign exchange registration procedures;
 - iv. carry out relevant approval and filing procedures as required by regulatory authorities and the stock exchanges where the shares of the Company are listed;
 - v. carry out cancellation procedures for repurchased shares, reduce the registered capital of the Company, and make corresponding amendments to the Articles of Association of the Company relating to total share capital and shareholding structure etc, and to carry out statutory registrations and filings within and outside China; and
 - vi. execute and handle other documents and matters related to share repurchase.”

By Order of the Board
China Molybdenum Co., Ltd.*
Wu Wenjun
Chairman

Luoyang City, Henan Province, the PRC, 22 April 2013

* *For identification purposes only*

NOTICE OF 2013 FIRST CLASS MEETING FOR HOLDERS OF A SHARES

Notes:

1. Eligibility for attending the A Shareholders' Class Meeting

Holders of A shares whose names appear on the A shares register maintained by the Shanghai Branch of China Securities Depository and Clearing Company Limited as at 3 p.m. on Tuesday, 7 May 2013 are eligible to attend the A Shareholders' Class Meeting.

Detailed contact information of the office of the Board is as follows:

The office of the Board of China Molybdenum Co., Ltd.
North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County
Luoyang City
Henan Province
The PRC

2. Proxy

- (1) A member eligible to attend and vote at the A Shareholders' Class Meeting is entitled to appoint, in written form, one or more proxies to attend and vote on his behalf. A proxy need not be a Shareholder.
- (2) A proxy shall be appointed by a written instrument signed by the appointor or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the appointor, the power of attorney authorizing that attorney to sign or other authorisation document(s) shall be notarized.
- (3) To be valid, the power of attorney or other authorisation document(s) which have been notarized together with the completed form of proxy must be delivered to the Company (at its registered address) not less than 24 hours before the time designated for holding of the A Shareholders' Class Meeting.

3. Registration procedures for attending the A Shareholders' Class Meeting

- (1) A Shareholder or his proxy shall produce proof of identity when attending the A Shareholders' Class Meeting. If a Shareholder is a legal person, its legal representative or other persons authorized by the board of directors or other governing body of such Shareholder may attend the A Shareholders' Class Meeting by producing a copy of the resolution of the board of directors or other governing body of such Shareholder appointing such persons to attend the meeting.
- (2) Holders of A shares who intend to attend the A Shareholders' Class Meeting (or any adjournment thereof) should complete the reply slips for attending the A Shareholders' Class Meeting (or any adjournment thereof) and return them to the office of the Board of the Company not later than 20 days before the date of the A Shareholders' Class Meeting, i.e. no later than Saturday, 18 May 2013.
- (3) Shareholders may send the reply slip to the Company in person, by post or by fax.

4. Miscellaneous

- (1) The A Shareholders' Class Meeting will last for approximately half day. Shareholders who attend shall bear their own travelling and accommodation expenses.
- (2) The registered address of the Company is at:

North of Yihe
Huamei Shan Road
Chengdong New District
Luanchuan County, Luoyang City
Henan Province
The People's Republic of China
Tel: (+86)379 6865 8017
Fax: (+86)379 6865 8030



洛陽樂川鉬業集團股份有限公司

China Molybdenum Co., Ltd. *

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03993)

NOTICE OF 2013 FIRST CLASS MEETING OF H SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 2013 first class meeting of H shareholders of China Molybdenum Co., Ltd.* (the “**Company**”) will be held after the AGM and the 2013 first class meeting of A shareholders or any adjournment thereof, on Friday, 7 June 2013 at the International Conference Room of Mudu-Lee Royal International Hotel at No.239, Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the People's Republic of China for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolution. Unless otherwise indicated, capitalized terms used herein have the same meanings as those defined in the circular of the Company dated 22 April 2013 (the “**Circular**”).

SPECIAL RESOLUTION

“To consider and approve the proposed grant of the general mandate to the Board to repurchase H Shares as follows:”

- (a) subject to paragraphs (b) and (c) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H shares in issue on the Hong Kong Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Hong Kong Stock Exchange or of any other governmental or regulatory body;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 percent of the aggregate nominal value of H Shares in issue as at the date of the passing of this resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - i. the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the AGM to be held on Friday, 7 June 2013 (or on such adjourned date as may be applicable); and the A Shareholders' Class Meeting to be held on Friday, 7 June 2013 (or on such adjourned date as may be applicable);

* For identification purposes only

NOTICE OF 2013 FIRST CLASS MEETING FOR HOLDERS OF H SHARES

- ii. the approval of the regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and
 - iii. the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 27 of the Articles of Association of the Company;
- (d) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution until whichever is the earlier of:
- i. the conclusion of the next annual general meeting of the Company; or
 - ii. the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting; and
- (e) Subject to the approval of all relevant government authorities in the PRC for the repurchase of such H Shares being granted, to authorise the directors of the Company to:
- i. formulate and implement detailed repurchase plan, including but not limited to repurchase price, number of shares to be repurchased, timing of repurchase and period of repurchase etc;
 - ii. notify creditors and make announcement in accordance with the requirements of relevant laws, regulations and normative documents as well as the Articles of Association of the Company;
 - iii. open overseas share accounts and to carry out related change of foreign exchange registration procedures;
 - iv. carry out relevant approval and filing procedures as required by regulatory authorities and the stock exchanges where the shares of the Company are listed;
 - v. carry out cancellation procedures for repurchased shares, reduce the registered capital of the Company, and make corresponding amendments to the Articles of Association of the Company relating to total share capital and shareholding structure etc, and to carry out statutory registrations and filings within and outside China; and
 - vi. execute and handle other documents and matters related to share repurchase.”

By Order of the Board
China Molybdenum Co., Ltd.*
Wu Wenjun
Chairman

Luoyang City, Henan Province, the PRC, 22 April 2013

NOTICE OF 2013 FIRST CLASS MEETING FOR HOLDERS OF H SHARES

Notes:

- (1) All resolutions at the meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates to a procedural or administrative matter to be voted on by a show of hands pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The results of the poll will be published on the Stock Exchange of Hong Kong Limited and the Company’s websites in accordance with the Listing Rules.
- (2) H Shareholders who intend to attend the Class Meeting of H Shareholders in person or by proxy should return the reply slip to the office of the Board at the Company’s principal place of business in the PRC 20 days before the meeting, i.e. before Saturday, 18 May 2013 by hand, by post or by fax. The contact details of the office of the Board at the Company’s principal place of business in the PRC are set out in note (8) below.
- (3) Each Shareholder of the Company who has the right to attend and vote at the Class Meeting of H Shareholders is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his behalf at the Class Meeting of H Shareholders. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. In case that an appointer is a body corporate, the instrument must be either under the common seal of the body corporate or under the hand of its director or other person, duly authorised. If the instrument appointing a proxy is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be certified by a notary public. The form of proxy and the notarially certified power of attorney or other documents of authorisation must be delivered to the Company’s H Share registrar at the address stated in note (7) below by post or facsimile, not less than 24 hours before the time appointed for holding the Class Meeting of H Shareholders or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude a Shareholder from attending and voting at the Class Meeting of H Shareholders or any adjournment should he/she so wish.
- (4) In order to determine the list of H Shareholders who will be entitled to attend and vote at the Class Meeting of H Shareholders, the H Share register of members of the Company will be closed from Wednesday, 8 May 2013 to Friday, 7 June 2013 (both days inclusive) during which period no transfer of shares will be effected. H Shareholders whose names appear on the register of members of H Shares of the Company at 4:30 p.m. on Tuesday, 7 May 2013 shall be entitled to attend and vote at the Class Meeting of H Shareholders. In order for the H Shareholders to qualify for attending and voting at the Class Meeting of H Shareholders, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company’s H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Tuesday, 7 May 2013.
- (5) Shareholders or their proxies must present proof of their identities upon attending the Class Meeting of H Shareholders. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.
- (6) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the Class Meeting of H Shareholders.
- (7) The address and contact details of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, are as follows:

17M Floor
Hopewell Centre
183 Queen’s Road East
Wanchai
Hong Kong
Telephone No.: (+852) 2862 8555
Facsimile No.: (+852) 2865 0990 / (+852) 2529 6087

NOTICE OF 2013 FIRST CLASS MEETING FOR HOLDERS OF H SHARES

- (8) The address and contact details of the Company's principal place of business and the office of the Board in the People's Republic of China are as follows:

North of Yihe
Huamei Shan Road
Chengdong New District
Luanchuan County
Luoyang City
Henan Province
People's Republic of China
Telephone No.: (+86)379 6865 8017
Facsimile No.: (+86) 379 6865 8030

- (9) The Class Meeting of H Shareholders is expected to last not more than one day. Shareholders or proxies attending the Class Meeting of H Shareholders are responsible for their own transportation and accommodation expenses.

The Notice ("Notice") in Chinese and English version has been published on the Company's website (<http://www.chinamoly.com>). Shareholders that choose to receive the corporate communications of the Company (including but not limited to annual reports, summary financial reports (if applicable), interim reports, interim summary reports (if applicable), notice of meeting, listing documents, circulars and proxy forms) and have difficulties in receiving corporate communications published on the Company's website for any reason can request for the free printed circular sent by post. Shareholders can change the way of receiving the corporate communications of the Company and the selection of language version at any time.

Shareholders can request for the printed circular or to change the way of receiving the corporate communications of the Company and the selection of language version by giving notice to the Company within a reasonable period of time. Such a written notice should be given to the share registrar for H shares of the Company, i.e. the Computershare Hong Kong Investor Services Limited ("CHIS") (address: 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong), or e-mail to chinamoly@computershare.com.hk.